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Ex-Perry's Schwartz aims to recharge Smitty's

SUMMARY: Former Perry Drug Stores president David Schwartz moved to Smitty's Super Valu last month with a mandate and the corporate backing to drive the combo chain—which is no longer for sale—into the 21st Century. That means trimming headquarters' management, scouting new growth opportunities, bringing in experienced colleagues like David Green to flesh out new marketing strategies, and eventually developing a fresh new format.

Schwartz

PHOENIX — New president and chief executive David Schwartz is working to put Smitty's Super Valu into fighting trim in preparation for an ambitious growth and modernization program. That effort follows a three-year period of uncertainty for the 30-year-old combo chain, in which its owners tried twice to sell the company and spent nine months trying to fill the top management void.

That search followed the resignation in 1990 of Ted Johnston as ceo. It led finally to the selection of Schwartz, a Phoenix native who resigned as president and chief oper-

See **Smitty's** *page 77*

LATE NEWS

- **TROY, Mich.—Arbor Drugs racked up an 18.6 percent increase in net income on an 18.9 percent net sales gain in the fiscal year ended July 31. Earnings grew to $13 million on sales of $405.9 million, with same-store sales up 9.3 percent. Fourth-quarter net rose 29.8 percent.**

- **BENTONVILLE, Ark.— Wal-Mart Stores has purchased Phillips Cos., a 20-store supermarket chain based in the discount giant's hometown.**

- **BURTON, Mich.—Phar-Mor will open its first store in the Flint, Mich. area this fall.**

- **PONTIAC, Mich.—Perry Drug Stores har promoted Andy Giancamilli to senior vp-store operations, and Stephen Lund to corporate vp-merchandising.**

FEATURES

U.S.S. Triple A

Triple A items rocket to top

DrSN's exclusive study reveals which HBA and GM items are grabbing the lion's share of the market. Page 59.

What's hot & why in sun, skin, hair

Drug store buyers reveal what's selling hot and why in the sun, skin and hair care categories. Page 29.

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Revco creditors mull Eckerd buyout proposal

By James Frederick

CLEARWATER, Fla. — Revco's creditors are looking hard at a new, sweetened buyout proposal for the company filed late last month by Jack Eckerd Corp. If approved by creditors and U.S. Bankruptcy Court, Eckerd's takeover proposal would pull Revco out of Chapter 11 and merge both companies into a publicly traded powerhouse with $5.4 billion in combined sales and drug store operations in 18 states.

See Revco financial page 3 and Eckerd article, page 77

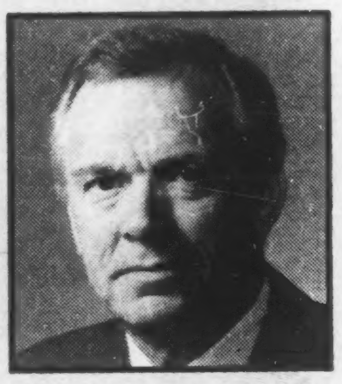
Eckerd filed its new plan Sept. 23 in U.S. Bankruptcy Court in Akron, Ohio, formalizing and sweetening a takeover proposal first floated by Eckerd chairman and ceo Stewart Turley in letters to Revco last spring. As such, it is one of three competing plans of reorganization for Revco now before the court.

Nevertheless, it appears to be getting a fair hearing from most of Revco's creditors.

The plan proposes that Eckerd assume all Revco's assets and its nearly $1.5 billion in debt obligations in exchange for nearly $1 billion in new debt securities, including secured notes and subordinated debentures. What makes the new

See **Revco** *page 77*

> ***'We believe this plan provides superior value for Revco's creditors and allows the opportunity for a significant long-term value through synergy in the combination of Revco and Eckerd.'***
>
> **—Turley, chairman and ceo**



CDMA shows new signs of life

SUMMARY: Affiliated/Associated Drug Stores approved a new name and hosted the largest group of vendors in its history at its fall show in Orlando. Small and mid-sized chain buyers found special values in candy and snacks, seasonal items, and HBA.

The fall merchandise show signaled a new direction and fresh vitality for CDMA, the recently renamed Affiliated/Associated group.

By David Vaczek

ORLANDO — The formerly-named Affiliated/Associated Drug Stores showed new competitive energy as record vendor attendance and a fast-paced agenda marked the fall buying show here.

Chain buyers at the 65th anniversary show praised what many termed a rejuvenation, as the board of directors unveiled a new name—the Chain Drug Marketing Association.

(At press time, CDMA learned that New York State won't allow the name "association" for a for-profit group. The board will be asked to approve a change, such as to "Associates" or "Associated" said CDMA president Jim Devine.)

See photos page 26

The Sept. 19 to 22 event was attended by 176 vendor companies, many new to the show, and offered special buying opportunities for the small retail

See **CDMA** *page 77*

Merchandising spotlight

Halloween a treat for chains

By Barbara White

Ghost, ghoul and witch novelty items will be flying off drug store shelves this Halloween season and driving the seasonal category this year.

"The Halloween category has grown 35 to 40 percent over the past five years," said Lon Resnick, merchandise manager for the New York-based Chain Drug Marketing Association. He estimated that stores have increased category space by 10 percent over the past few sea-

See **Halloween** *page 77*

NEWS IN BRIEF

Gerald Heller honored

NEW YORK — Gerald Heller will be honored with the Torch of Learning Award at a dinner at the Grand Hyatt on Dec. 5 by the Pharmacy and Mass Merchandising Divison of the American Friends of the Hebrew University. Heller, president of Tulsa, Okla.-based May's Drug Stores, is being recognized for his commitment to pharmacy research and education.

Heller is a member of the Oklahoma Pharmaceutical Association, is chairman of the University of Oklahoma College of Pharmacy's Dean's Advisory Committee and serves on the NACDS board of directors and executive committee.

Stone, cfo, named to Perry board

PONTIAC, Mich. — Perry Drug Stores senior vp and cfo Jerry Stone has taken a seat on Perry's board of directors, filling a vacancy left by the resignation of former president and chief operating officer David Schwartz.

Stone joined Perry in April, 1989 after a stint as vp-manufacturing for Talon, Inc., and 23 years at Arthur Andersen & Co.

Arbor exec tops Michigan Rx board

TROY, Mich. — John Enokian, vp-health services at Arbor Drugs, has been elected chairman of the Michigan Board of Pharmacy. The six-year board member will direct meetings, oversee pharmacy activities in the state and serve as liaison between the board and the National Association of Boards of Pharmacy (NABP).

At Arbor, Enokian handles third-party contract negotiations, represents the company in government affairs and handles other pharmacy-related issues. He began his pharmacy career at Arbor's first store in 1965.

Owens & Minor bid for Koley's

RICHMOND, Va. — Owens & Minor has signed an agreement to purchase all outstanding stock of Koley's Medical Supply, Inc. Koley's, based in Omaha, operates in Iowa, Nebraska, and parts of Kansas and Missouri. The agreement, subject to regulatory approval, marks a midwestern expansion for the Virginia-based wholesaler's operations.

Amfac changes name to Whitmire

SACRAMENTO, Calif. — MWC Inc., doing business as Amfac Health Care and Northwestern Drug Co., has changed its name to Whitmire Distribution Corp.

Whitmire's management team bought the drug distribution division of Amfac from the parent company in 1988 for $115 million and "deliberately kept the Amfac identity for three years," said Melburn G. Whitmire, president and ceo. Whitmire Distribution reported revenues of $1.7 billion for the year ended June 30.

McKesson: progress on waste issue

ATLANTA — McKesson Drug Co. has contracted with BFI Pharmaceutical Services on a new controlled substances return and waste disposal program, making it the first pharmaceutical and HBA wholesaler to establish such a system.

The contract, slated to begin this month, is for a pilot program at the wholesaler's distribution center in this city and is limited to the disposal of controlled pharmaceutical products. That contract may be expanded to include returns of all classes of prescription and other products.

BFI Pharmaceutical Services, a division of Browning-Ferris Industries, uses a computerized tracking and waste profiling system which assists manufacturers and wholesalers in crediting procedures for the processed products.

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Clever products, concepts at Exclusively HBA show

By Elizabeth Parks

NEW ORLEANS — From a product perspective, there was a lot to see and learn at this year's second annual Exclusively HBA Show here.

Over 340 suppliers on the floor showed their wares to the 541 retailer/wholesaler buyers in attendance. In comparison to the NACDS Marketplace show, Exclusively HBA skews more to toiletries and to the smaller or second tier cosmetic companies.

The biggest cosmetic companies there were Revlon/Almay, L'Oréal, and Max Factor; except for Factor, these companies have strong toiletry and cosmetic divisions.

Although many buyers at the show said they hoped to see more cosmetic companies on the floor next year, it still isn't clear what direction this show will take when it convenes in Denver next September.

One source for a company that attended said he was impressed with "the caliber" of the buyers who did attend.

There were no dramatic launches here, but there were hundreds of well thought out promotions for the first and second quarter of 1992 plus hundreds of new niche items and clever marketing concepts. Given all the excitement that's happening with kids' toiletries this year, the new body sculptured carded cosmetics from Ducair Tsumura stood out.

This newest addition to the Kid Care family features three Little Mermaid grooming accessories, three Muppet accessories, and two Turtle accessories—each with the shape of the characters sculptured right onto a small comb, hair brush or mirror.

A clever marketing concept from Jonee should help retailers spark sales of nail treatments in stores that have few service staffers. Jonee offers 19 treatment products addressing specific needs like nail biting or fungus.

But how can a consumer know which does which if there's no cosmetician to help her? Jonee's lets the consumer educate themselves by reading a little color-coded dot affixed to each treatment product. Each dot now specifies what each treatment can do.

Bath and skin care are two other hot categories now—with dozens of new products emerging, such as:

- Softsoap unveiling a new three-SKU line of facial care water rinsable, liquid cleansers. There are three formulas with conditioning as well as cleansing benefits;
- Fa is rapidly gaining distribution for its European Luxury bath line, and they've got some new bonus packs to stimulate trial and develop brand loyalty. For Back-to-School promotions, Fa offers two soaps free with each purchase of a shower gel;
- Masada H&B Corporation was introducing something unusual: Mineral Bath Salts in three formulas and four sizes that are 100 percent natural, made of mineral salts imported exclusively from the Dead Sea.
- Cosmepak, Sassaby and Caboodles each had attractive new accessories for bath and cosmetic use. These companies are all launching programs to help preserve the environment.

In cosmetics, Almay had a number of new items on display including its new matte makeups, new waterproof mascara, new Problem Solution skin care line formulated for special skin care needs, new all day protection Sport Scent deodorant, and AM/PM Eyes, as an intensive eye care treatment line.

Bonne Bell was showing its Roll On Lip Shiners, Lip Smackers trio, Blushing Gel face brightener, and Soft Color Cream Powder Blush.

CCA Industries has a new Oriental Pearl Moisture Rich Potion Face Cream that contains "authentic" crushed Oriental pearls, its latest promotion for Sudden Change skin treatment and Plus + White One Step Teeth Whitener.

Del Labs was showing its new Sally Hansen Mint Nail Polish Removers in three fragrance formulas as well as its new Frizz Tamer Hair Serum.

Revlon had a new Outrageous Lipstick to talk about as well as its newest fragrance, Downtown Girl.

Lady In Red Cosmetics was introducing two new items: a 3-ounce body spray that will retail for $3.50 and a half-ounce eau de parfum spray that will retail everyday for $4.95. It was also shipping a new promotional gift set featuring a 1-ounce body lotion free with the purchase of a 1.7-ounce Lady in Red perfume.

Delagar was showing off several spring promotions for Mystic Impressions, including free on-pack of a 2-ounce purse spray for next Easter, and free 2.5-ounce body spray for Back-To-School.

Florida lawsuit over risqué photo has drug chains weighing exposure

TAMPA — A lawsuit currently pending against Eckerd and some former employees—which alleges that a staffer duplicated a partially nude photo of a customer without authorization—may prompt drug chains to reevaluate their photofinishing policies.

The saga began when Wendy Ellington's friend snapped a picture of her partially nude, then sent the roll of film to Eckerd to be developed. Matthew Powell, her attorney, said Ellington saw the photo, burned it and the negative, and forgot all about it—at least until the photo allegedly turned up at a party three years later to haunt Ellington—and Eckerd.

"The employee had made a duplicate of the photo and put it in an album with 297 other photos he had copied," claims Powell. That album is now in the hands of Vivian May, an attorney drafted by the court to represent others in a class action suit whose pictures are in the book.

Ben Will, the attorney for Eckerd, said: "I can't say the employees did make duplicates of photos; in fact they deny it. But if they did, it was against Eckerd policy which forbids duplicating photos. This was an action of the employees acting as individuals, not as employees of Eckerd." He also said media attention has made too much of the nudity in the photo.

When pictures may be pornographic, "we turn them over to the authorities so they can set standards on what's acceptable and what's not," Gene Ormond, Eckerd's director of public relations, told *Drug Store News*.

"The issue is employee theft," he stressed. "Lets say someone took a picture of a rock star at a concert and brought it in to be developed. If an employee copied it and blew it up to poster size, that's theft. Our policy clearly prohibits employees from copying any customer photos. If it had come to our attention that the employees had been doing that (when employed by Eckerd three or four years ago), they would have been fired."

Other chain approaches

Pay Less, based in Oregon, follows state laws when categorizing photos as nude or pornographic and is looking into a new policy that would balance peoples' rights with the law, said merchandiser Leonard Myers.

And at Snyder's Drug Stores in Minnesota, employees cannot open sealed photo packages. Said Snyder's Dave Leonard, assistant vp-store operations: "That's an invasion of privacy and the employee would be terminated if caught doing so."

But Snyder adds that no matter how stringent policies are, much of the day-to-day photo business (and drug retailing business in general) is left to employees' good judgment.

AADS has a new name, new lease on life

IN THE MARKET
BRUCE BUCKLEY

The name doesn't soar. It doesn't light any rockets. But it works: Affiliated/Associated Drug Stores, the organization with the glaring redundancy in its title and the once tenuous lease on life, has become the Chain Drug Marketing Association. The new name works because it fits. It describes exactly what the association is about.

Actually a slight alteration is likely to occur soon. New York State won't permit a "for-profit" organization like CDMA to use the word association in its title, so the Chain Drug Marketing Association may soon become Chain Drug Marketing Associates. That may actually be a slight improvement, since it has more of a "partners" feel to it. On the other hand, it may sound too much like a consulting firm.

Whatever. CDMA is poised to fly. The past year has been a watershed for the 65-year-old New York buying organization. Many industry people were writing its epitaph 13 or 14 months ago, when Jim Devine was hired to strap himself into the freefalling association and pray that his experience, exuberance and drive would act as a kind of personal bungee cord to snap things back.

Even those most committed to preserving the organization admit to having more than a few doubts about the long-term prospects for survival. NACDS had put its Marketplace into orbit as the premier drug store merchandise show. And a lot of key vendors were grousing that there were already too many shows to attend. If any shows seemed expendable, industry people said, they were the far smaller Affiliated/Associated events.

Undaunted, Jim Devine and a group of committed members warmed up earlier this year with the successful mid-April merchandise show in Dallas. This past month CDMA seemed solidly back on track with its show in Atlanta (as our coverage in this issue details). Vendor attendance was at an all-time high, and retail members came to do business. Out of the 75 members, 61 sent representatives to work the booths and exchange ideas. More orders were written than ever before.

The New York-based buying group has always prided itself on being not just the impresario of twice yearly shows, but a year-round marketing resource for its members. In recent years, however, the organization's energies seemed drained, its efforts a bit shop-worn. The challenge was to reignite the fire, especially among those smaller regional and local chains for whom the efforts of a dedicated marketing staff could mean so much.

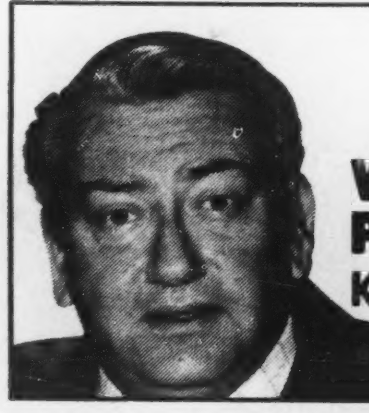
Devine and some hard-working members spent the better part of a year digging deep into the structure of the organization and setting a course to fulfill the needs of members and suppliers. In talking about those efforts, members like Harco's Jim Harrison III, the new chairman of the board, use words like "focused," "energy" and "exciting." And they credit not only Devine, but all of the members and associates who worked so hard to chart the new course.

Devine was ebullient in the aftermath of the recent show. Characteristically he credited others. The support from the members, he said, was "fantastic."

True, it was a team effort. But it's doubtful that it could have been done without Devine. His long experience in the industry and friendships bought the association the time to allow changes to take place. His enthusiasm and flexibility fueled the excitement of members and staff.

Devine himself admits to having a few uncertainties at the start of the adventure some 13 months ago. "But I just renewed my lease in Guttenberg, N.J.," he told me with that great chortling laugh of his. "And I had a comfortable feeling about it."

What rights have retailers in labor disputes?



WASHINGTON PERSPECTIVE
KEN RANKIN

Drug store employees, like any other workers in this country, have a right to join labor unions. Labor unions, in turn, have a right to organize workers and picket non-union establishments.

But what about the rights of employers? Do drug stores and other businesses have the right to seek protection from harassment by union activists?

Suppose labor organizers target your store? What if union recruiters set up picket lines in your parking lot, harass employees on their way to work and urge your customers to shop elsewhere? Do the labor laws protect retailers from such tactics?

That's a question that may soon be answered here in Washington by the U.S. Supreme Court.

The case at issue involves the plight of retail tenants at the Lechmere Shopping Plaza—a 14-store strip center in Newington, Conn.—who were literally overrun by union organizers a few years ago.

Despite protests from the retailers, non-employee activists from the United Food and Commercial Workers picketed the plaza, distributed leaflets to customers in the center's parking lot, entered stores and buttonholed employees as part of their recruiting campaign.

When Lechmere sought a state court order to prevent this trespassing, the union responded by filing an unfair labor practice complaint with the National Labor Relations Board.

Those federal charges effectively checkmated the Connecticut retailers who were told that once unfair labor practice charges are filed with NLRB in Washington, the state courts lose jurisdiction over the matter.

A similar situation erupted in West Virginia where the state's Supreme Court of Appeals also held that retailers may not secure protection against union trespassers once a federal NLRB complaint is filed.

Both of those union trespass cases are now before the U.S. Supreme Court and retail industry lawyers are keeping close tabs on developments there.

But for my money, there's another even more disturbing union picketing case in the pipeline—one that has antitrust as well as economic implications for drug stores.

This one involves an unusual provision in a contract negotiated between unionized store workers and retailers in Ohio.

Under the new contract, the Ohio retailers may reduce wages to their workers if competing merchants continue to pay lower wage rates. But here's the kicker: the union can avoid those wage cuts by picketing the lower paying, non-union retailers!

Critics of this agreement contend that it represents an unholy alliance between retailers and labor unions—an anticompetitive conspiracy to punish competing non-union retailers.

Again, the U.S. Supreme Court will ultimately have to call the shot.

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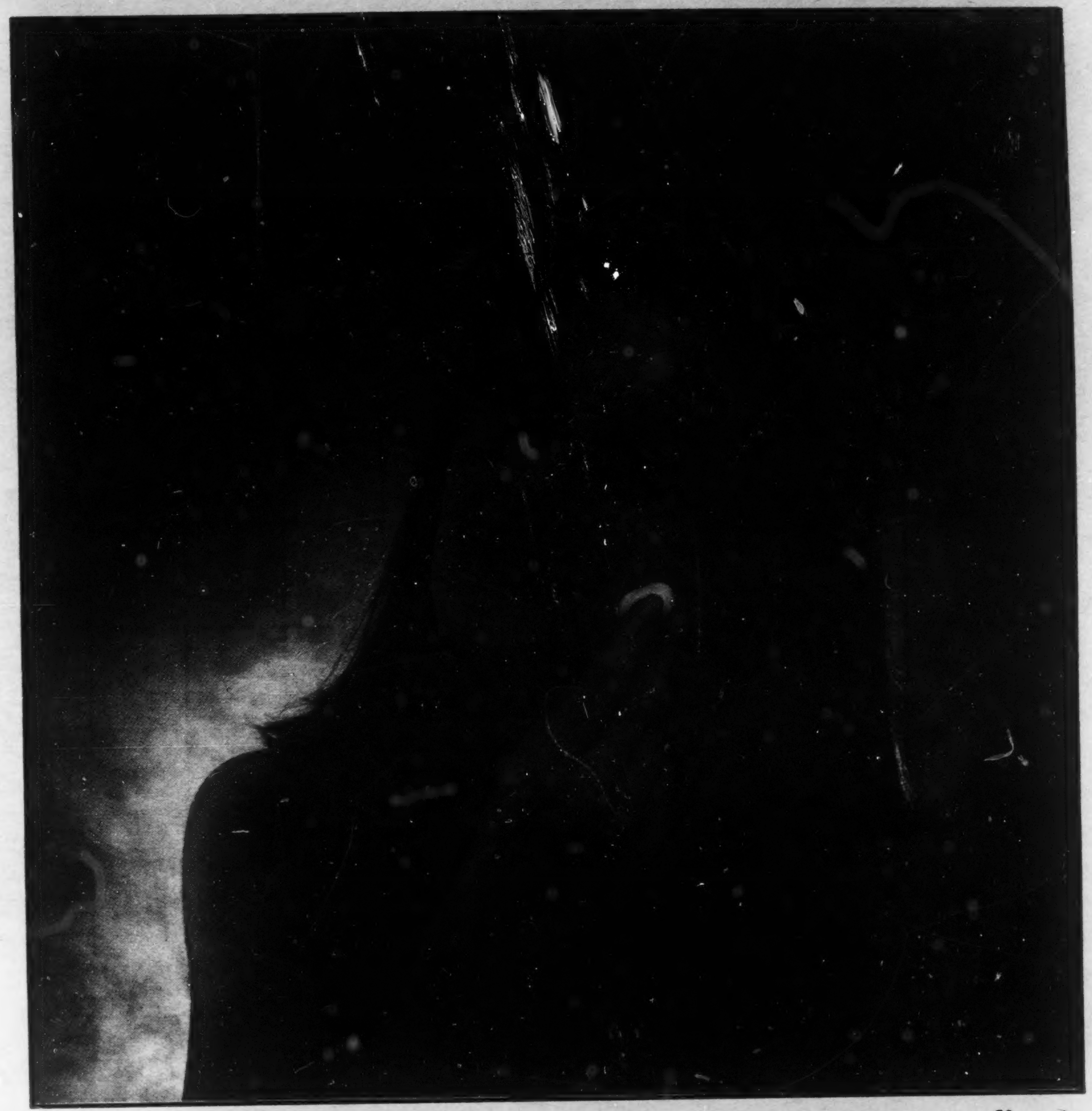
Too many SKUs in skin care lines. . .

Skin care, while still chalking up solid growth in many chain drug stores, has added a wrinkle in recent months. Some retailers sense the category's stellar growth days may be over, as they take note of a gradual slowdown in the rate of the sales advance.

Some buyers are saying that the extensions of major lines like Plénitude and Oil of Olay have been good for the category, creating incremental sales and new marketing opportunities.

But in some chains, buyers are reporting that the line extension phenomenon has gone "too far" and that some brands are simply cannibalizing their own sales. A few buyers told us that so many new SKUs have been added to lines like Olay and Plénitude that their turns are declining, and while dollars may be up because of price points, unit sales in thei- stores are flat or down.



Drug chains report that customers are "trading down" from department store lines to premium mass lines like Plénitude, Almay, Neutrogena and Oil of Olay.

. . .soften pace of volume climbs

Drug Emporium

Skin care sales are rising dramatically at Drug Emporium, causing this deep discounter to find more space for the category by shrinking space for deodorants, says buyer Dale Rogers, adding that "we do so many deodorant sales off pallets, we don't need as much space."

Higher end skin care brands and therapeutic hand and body lotions are growing the strongest here, says Rogers. He notes good movement in Plénitude, Neutrogena and Oil of Olay, and in therapeutic HBA lines like Lubriderm, Nivea, Keri and Curél.

Drug Emporium also has a new recommended planogram for skin care that it is currently rolling out. SKUs in the set are organized by price point, starting with such higher end lines as Plénitude and Neutrogena, flowing into mid-priced lines and then to the lower price brands such as Vaseline Intensive Care.

In Drug Emporium, Olay's cleansing line is selling well as is its new UV moisturizer. Plénitude moves well here with stores selling through a 72-piece display of the Eye Defense Cream—at $7.99 each—in about a week, Rogers says.

Kinney Drug

At Kinney Drug in Gouverneur, N.Y., buyer Robert Burtis says the Vaseline Intensive Care lotions have moved well this season, now that he has identified the right mix to stock.

His assessment of recent months: Olay is flat. Plénitude is selling well in dollars, but units aren't up much. Lubriderm isn't as strong as it has been. Curél is just OK. Basis and Nivea are slow.

Burtis adds, however, that Eucerin and Jergens lotions are selling well, and Neutrogena sales are "great." He feels that Neutrogena "has a magic touch. They make a really great product at a quality price. Some of my brands are pricing themselves out of competition, but they can get away with higher prices."

He further adds that Neutrogena moisturizers with sun protection are selling very well, but the brand's sun protectant lotion is one of its few SKUs that are slow.

K&B

At Louisiana's K&B, Plénitude continues to sell well, and its newest line extension of cleansers is off to a fast start. Considering that Plénitude's cleansers are premium priced and that K&B stores operate in many depressed markets, the movement surprised HBA buyer Chuck Gautreaux.

"They're more expensive but they're moving very well. It could be because of all the money they're spending on advertising," he said.

Plénitude's Eye Defense is also moving fast, and Olay's moisturizers are as strong as they always were. The Olay cleansers are also selling, but not as fast as Plénitude.

Skin care dollar sales trends

Segment	1990 2nd quarter $ sales	1991 2nd quarter $ sales	% chng.
Face creams/lotions	$ 65.8	$ 67.7	3%
Sun care	71.7	58.3	(19)
Hand lotions	42.2	43.7	4
Acne preps	24.5	24.5	1*
Specialty soaps	10.8	9.6	(12)
Hand creams	6.9	6.8	NA
Baby lotions	2.9	2.8	(5)
Total skin care	$224.8	$213.4	(5)

*Due to rounding.

Source: Towne-Oller Drug Store Audit.

Continued on page 33

Buyers report solid gains in skin care

Continued from page 29

Jergens Advanced Lotion therapy was just getting into K&B stores at press time, but Gautreaux thought the line would succeed, especially if Jergens spends the $30 million it said it would spend to support the relaunch.

Gautreaux's initial reaction to S.C. Johnson's launch of a combination moisturizer/insect repellent called Skintastic was ambivalence. On one hand, he feels that men, who tend to be outdoors more than women, won't buy it; on the other hand, he thought women might buy it for themselves andtheir children when they venture out into the woods on vacation or even just in the backyard or playground.

Bill's Drug

Buyer Sharon Schrage reports her customers are continuing to trade down from expensive department store lines while they trade up from traditional mass lines like Oil of Olay. The result: healthy skin care results in 1991.

Benefiting most from this phenomenon is L'Oréal's Plénitude, which Schrage says is the only line to get dual placement in Bill's stores—merchandised in HBA and in cosmetics.

"We've done well with Plénitude because our cosmeticians are actually selling customers on the benefits of the line. Our HBA skin care set is adjacent to cosmetics, and when our cosmeticians see someone wandering down that aisle, they'll talk to the customer and try to get her to trade up to Plénitude," she says.

A few of Bill's stores also carry high end lines like Borghese, Arden and Ultima, but even though these lines also do well because of the cosmetician's assistance, some customers are trading down to Plénitude.

"Once they know that L'Oréal is Lancôme in Europe, they're willing to try Plénitude," Schrage says.

Other solid performers she notes: Almay, Max Factor and Neutrogena.

Crown Drug

In North Carolina, Toni Markham, who buys franchised cosmetics for Crown Drug, says they're still seeing strong growth in skin.

Plénitude's Eye Defense has performed exceptionally well, and the new cleansers, just coming into stores at press time, are also expected to sell.

Markham thinks that her customers are trading up to Plénitude from lower priced lines, and trading down to it from higher priced department store lines. "Customers who are spending $35 in department stores for skin care are willing to spend $8 in our stores to try Plénitude," she said.

On her standout list: Olay's UV moisturizers and Neutrogena's moisturizers with sun screens, cleansing bars and eye creams.

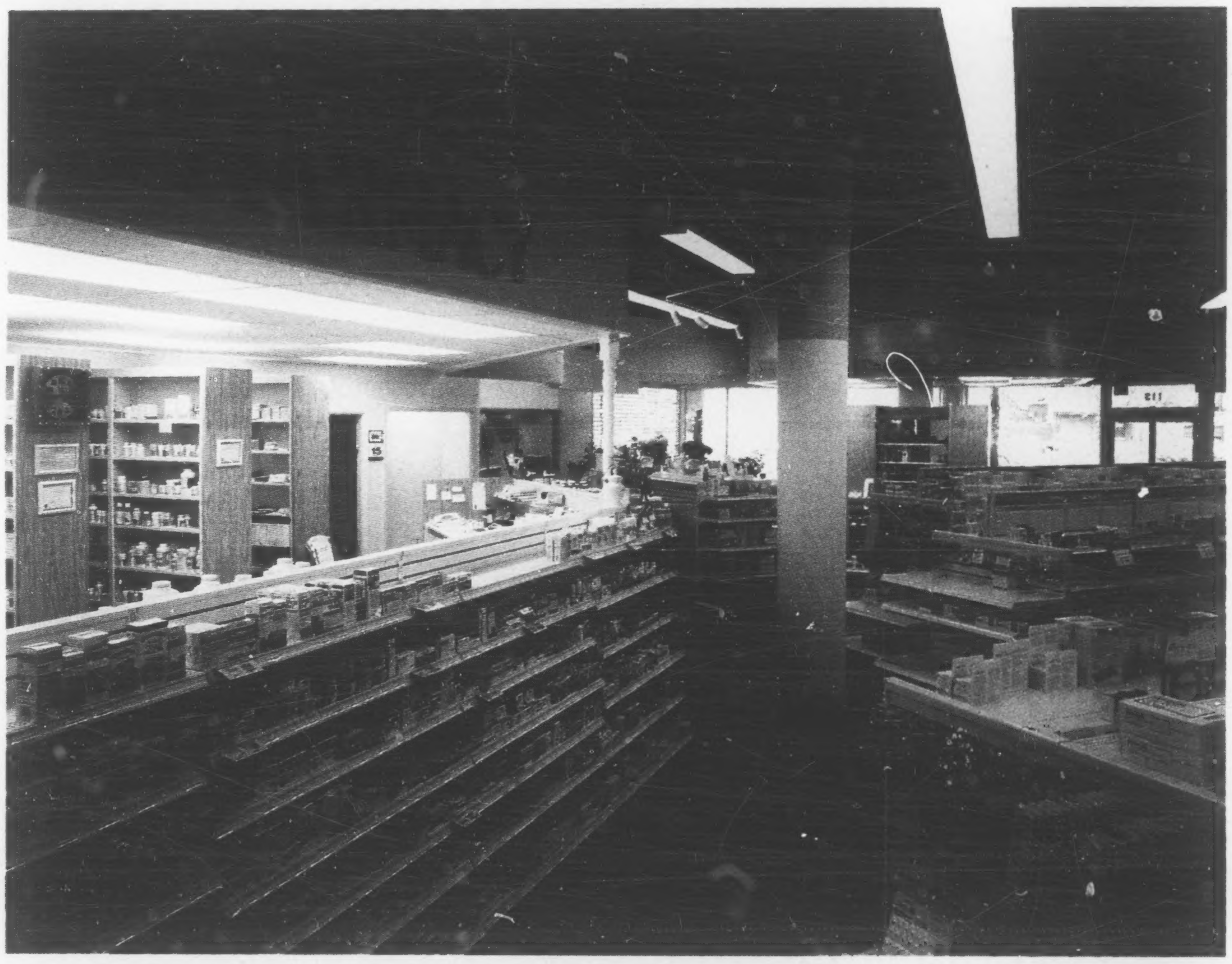
In Crown's higher volume stores, a new skin care planogram organized by price points is being tested. The set is near cosmetics, but it doesn't include such cosmetic lines as Almay, Clarion, Moondrops or Max Factor.

Share of skin care sales
(drug versus food stores)

	1990 2nd quarter		1991 2nd quarter		Dollar sales chng.
	$ sales	% share	$ sales	% share	
Drug	$224.8	47%	$213.4	52%	(5%)
Food	200.2	53	195.7	48	(2)

Source: Towne-Oller Drug Store Audit.

DESIGNS FOR PROFIT



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Sun care brings bright sales. . .

SUMMARY: The summer has been kind to many sun care buyers this year. Although in some markets like Louisiana heavy rains dampened sales, many buyers reported an excellent selling season.

In the New York market, Marty Millman, who buys sun care for Austin Drug, says that "the weather made it a great season to sell sun care. I normally bring in five or six lines for the season. This year, I got in three, but all my initial shipments sold out."

Hot spots: tan accelerators and high SPF items. "Everybody is very conscious of the sun. These days I characterize all my SKUs away from the low SPFs and oils in favor of the high SPFs," he said. He has a lot of company across the country with similar thoughts.

Health & Beauty

Buyers appreciate that many vendors streamlined their sun care lines, improving turns and helping sell-throughs.

. . .thanks, in part, to line extensions

Drug Emporium

Dale Rogers, buyer at the deep discounter, thinks sun care benefited from good weather, and that manufacturers helped improve the year by culling slow-moving items from their lines. He cited Johnson & Johnson's Sundown, and Coppertone, Bain de Soléil and Hawaiian Tropic.

His best sellers this season were Coppertone's two bonus packs: the 10-ounce Coppertone SPF 4 Lotion with two ounces free and the 8-ounce Coppertone SPF 15 shrink-wrapped with a free 4-ounce after-tan.

The new Sports Lotions from Coppertone and Bain de Soléil did well this year, as did sunless tanning products, which Drug Emporium displayed in January and February to capture early sales. Almay Sun Care also sold well, Rogers said, thanks to aggressive marketing.

Other hot shots: Banana Boat, now the chain's third or fourth best selling sun care line, depending on market, and Protecteur Gentile from Bain de Soléil. Colored zinc brands were also popular.

For next season, Rogers is looking at the new Vuarnet sun care line. He's investigating the possibility of merchandising Vuarnet together with some T-shirts.

"The sun care line has a good looking package, and it's a natural tie-in with soft goods. Currently, we're not doing anything with soft goods, but we are relaying out sun care, and this would be a good opportunity to try out some related merchandising," Rogers said. "It would make the department more of a destination for our shoppers, and it should certainly attract the teen market. We might do it with Panama Jack too," he adds.

Over the past six months, Drug Emporium has been creating seasonal sections in their stores for sun, Christmas, Halloween and Valentine's Day. As the deep discounter realigns and opens stores, it's taking the back wall beginning at the end of Aisle One and devoting 28 to 32 feet to seasonal.

[illegible]

Segment	1990 2nd quarter $ sales	1991 2nd quarter $ sales	% chng.
Self tanning	$ 7.9	$ 8.4	6%
After sun	1.0	1.2	6*
Suntan lotions SPF 0 to 4	25.0	17.6	(29)
Suntan lotions SPF 5 plus	37.5	31.1	(17)
Sun care	71.6	58.2	(19)

*Due to rounding.
Source: Towne-Oller Drug Store Audit.

Bill's Drug

Buyer Liz Spera was evaluating category sellthroughs at press time. With spotty weather in her west coast markets, sales may not be up significantly. But the chain bought conservatively, so sellthroughs may have been OK.

Spera said J&J did some "guerilla marketing" to support its Piz Buin line, giving away free samples and advertising often, so she's interested in seeing what develops.

Some negative stories in the press about high level SPFs may mean that her best sellers this year would be moderate SPFs of 15 and 20.

Meanwhile, UV sun and skin care items are getting off to a slow start in her markets, which Spera thinks may indicate "consumers will need some educating before they fully catch on."

Tan Magnifiers were hot in Bill's stores last year, but this year Spera says she hasn't heard that many people asking for them.

Over the years, Banana Boat has grown steadily at Bill's and, this year,

Continued on page 41

Sun care brings bright sales

Continued from page 35

the brand introduced a service program that Spera, as well as store managers, loved. The company introduced a van delivery system, and routinely visited each store, taking back what wasn't selling and refilling orders as product sold.

Kinney Drug

Buyer Robert Burtis reports a "very good season," despite heavy rains on the Fourth of July.

Tan Magnifiers, Sport Lotions and Baby Sunblocks, especially SPF 45, did well in Kinney stores, Curtis said.

For the first time, colored zinc sunblocks sold well, he said. He was pleasantly surprised at his sales of sun sticks for lips.

He had excellent sell-throughs on the Vaseline Intensive Care sun care lines, Bain de Soléil, especially the self tanners, Hawaiian Tropic, Sundown and Coppertone.

Douglas-Maxi Drug

Buyer Steve Dubin says sun care sales at the Rhode Island chain soared over last year. Among the hottest sellers: sports lotions and sunless tanning lotions from Coppertone and Bain de Soléil, tan magnifiers, and Almay sun care items.

This season, Dubin bought a line of budget sun products under the brand name No Ad. "They really did well for us," he said. "We ran it on ad and it sold and, without advertising, it sold. With the economy as it is, people are looking for value. For $2.99, you can do a whole beach with this line."

Dubin got good turns from the Banana Boat counterpack of new skin lotions. He says there isn't much advertising for the line, but the clear packaging makes the colored formulas stand out.

K&B

In Louisiana, K&B suffered heavy rains this past May, which hurt their early sun care sales. Buyer Chuck Gautreaux says the early rains cost K&B "a number of missed selling opportunities," so he is dealing with some returns this season.

He had a good year, however, with Coppertone, Bain de Soléil and Bull Frog. "Coppertone is still our No. 1 line. We did especially well with the brand's Sport Lotions, Sunless Tanning and Tanning Magnifiers. Bain de Soléil also did very well for us, particularly the sport lotions, sunless tanners and SPF 2 and 4 lotions," he said.

ALMAY
FRAGRANCE FREE
SUNCARE
ALMAY

Promotions, off shelf displays, and instant redemption coupons helped sun care sales this year.

Crown Drug

In North Carolina, cosmetic buyer Toni Markham and sun care buyer William Ammonds teamed up to create a Save Your Skin pre-summer endcap designed to stimulate sales of all types of skin-related products—from sun protectants to body lotions and bath additives.

Markham explains: "We start it at Easter. We take an endcap close to skin, and we mix suntan and sun protection products in with skin and bath items. We feature premium brands like Neutrogena, Nivea, Keri and Coppertone."

Markham says the promotion has worked "very well" for Crown.

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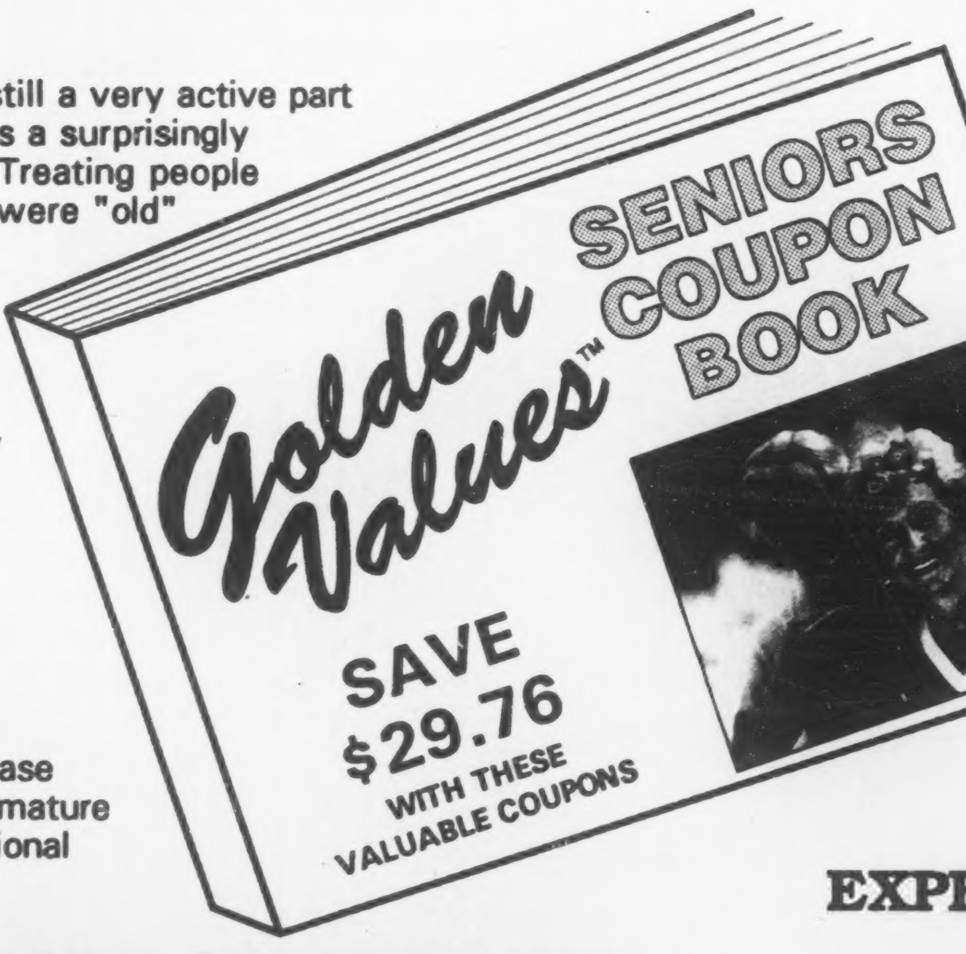

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Anti-frizz products add sizzle . . .

SUMMARY: *Drug chain buyers report a steady 3 to 4 percent overall gain in hair care sales through the first nine months of 1991—a pace that's not as fast as smaller categories, such as skin and bath, but one that doesn't have them tugging at their scalps.*

Segment	1990 2nd quarter $ sales	1991 2nd quarter $ sales	% chng.
Shampoos	$ 88.4	$ 81.9	(7%)
Hair color	73.2	75.3	3
Hair styling	43.4	44.0	1
Conditioners/rinses	46.0	43.6	(5)
Hair sprays	41.8	39.5	(5)
Men's hair preps	17.2	18.7	8
Permanents	11.7	10.8	(9)
Women's hair dressings	2.8	2.8	NA
Total hair care	$324.4	$316.6	(2)

Source: Towne-Oller Drug Store Audit.

	1990 2nd quarter		1991 2nd quarter		
	$ sales	% share	$ sales	% share	% chng.
Drug	$324.4	42%	$316.6	41%	(2%)
Food	442.4	58	447.9	59	1

Source: Towne-Oller Drug Store Audit.

. . . but hair care still driven in style

Styling aids and professional hair care continue to drive the business, although gel, mousse and spritz sales are leveling off after some explosive growth years.

This year, anti-frizz products are becoming a hot new segment. Such buyers as K&B's Chuck Gautreaux, Drug Emporium's Dale Rogers, Bill's Sharon Schrage and Douglas's Steve Dubin report lots of interest in brands like Frizz-Ease and the new L'Oréal Anti-Frizz.

Two-in-one shampoo/conditioners are also continuing to sell well, as are new curling gel products, particularly those in the L'Oréal Studio Line.

And price-value lines are doing well. Many buyers said their 99-cent offerings of White Rain, Suave and Awesome are moving fast.

Drug Emporium

Drug Emporium is currently testing hair care merchandising by brand family rather than category. The test, under way for a year already, is in 25 stores in various markets, said buyer Dale Rogers. No conclusions yet, he notes, but "it helps us with labor because products are shipped directly into the stores. It's easier for one person to put it up because when they open a case, they just have to go to one point in the section, not two or three.

The drawback, he adds: if a customer doesn't know what brand of hair spray to buy and wants to shop an entire section, she can't. On the other hand, it has helped some brands get additional sales. Sometimes customers don't know that the shampoo they're using also has a companion hair spray or gel.

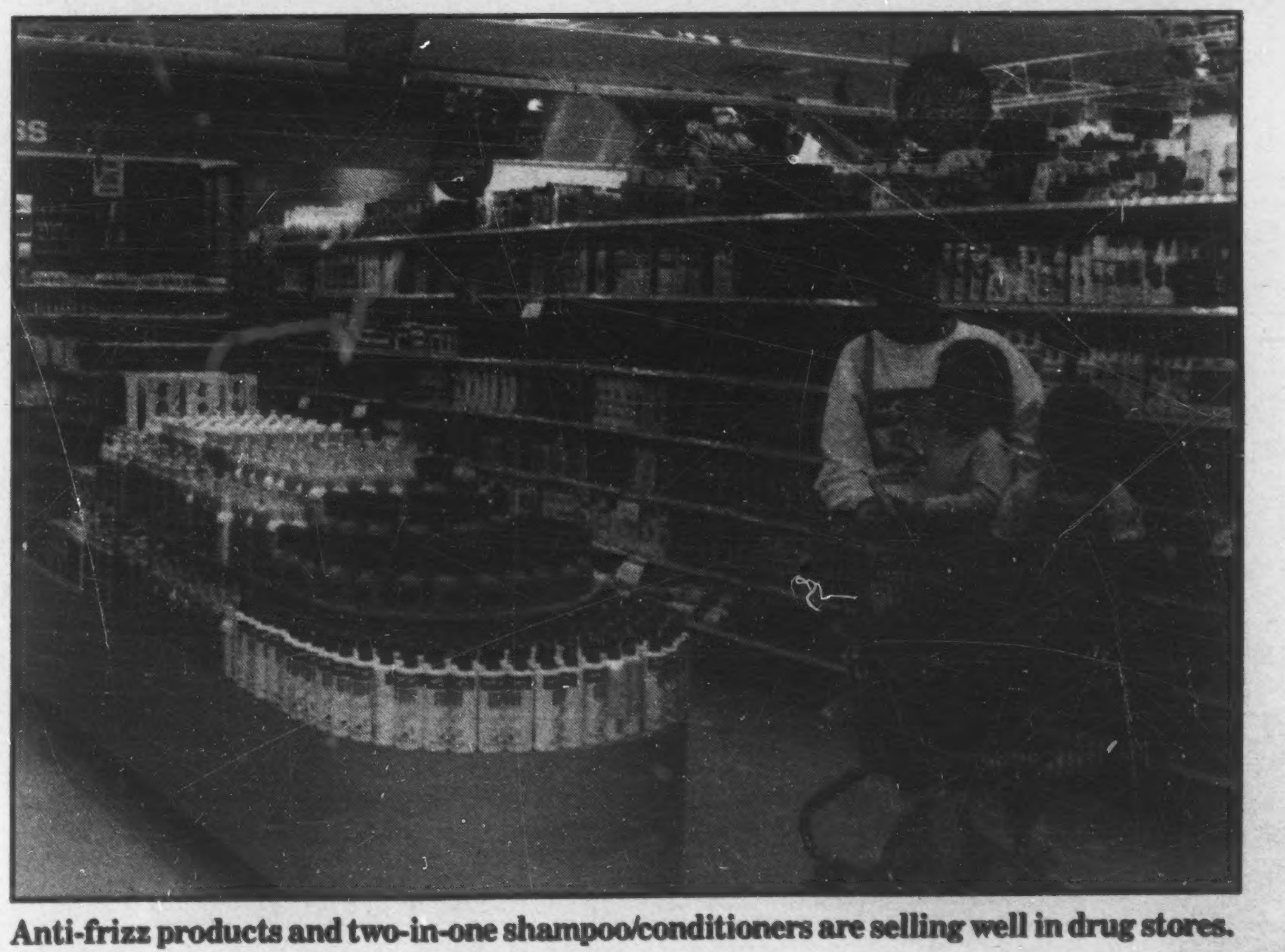
The new set is organized by price point. The lead section is semi-professional brands, followed by once professional, now professional heritage brands like Vidal Sassoon and then by premium priced lines.

Some of the strongest brands in the set: Studio Line, Salon Selectives, Vidal Sassoon, Pantene, Pert Plus, Jhirmack and Head & Shoulders. Also, L'Oréal's Colorvive, John Frieda Frizz-Ease and Studio Anti-Frizz are strong.

Revlon's Flex is coming back, but it still isn't as strong as it used to be, Rogers says. Neutrogena is strong and Citré Shine is moving very well. The hot oil category is selling well, particularly Alberto-Culver VO5.

Frieda has line extensions, including a shampoo, and Rogers thinks it will catch on. Redmond has a

Continued on page 44



Anti-frizz products and two-in-one shampoo/conditioners are selling well in drug stores.

Anti-frizz adds sizzle to sales

Continued from page 42

new shine enhancer that he was very positive about.

Douglas Drug

At Douglas Drug in Rhode Island, HBA buyer Steve Dubin has a few favorite performers in recent months: the Colorvive line, with the new Colorvive Color Sealer looking promising, and the repackaged and relaunched Jhirmack. He also says that Vidal Sassoon's Advanced Ultra Care three-in-one shampoo/conditioner/finishing rinse line has a new water-based environmentally sound hair spray that looks like it could be a winner with advertising dollars behind it.

Dubin likes Studio Line's new Anti-Frizz and Frizz-Tamer from Del Labs, and feels that a new Aussie Gloss from Redmond, shipping in at press time, might be a winner.

K&B

In Louisiana, HBA buyer Chuck Gautreaux reports that frizzy hair treatment products are hot: Frizz-Ease and Frizz-Tamer, as examples.

Spray gels, particularly from Sassoon, Salon Selectives and Jhirmack are also very popular, he said, because they're a lot less messy than gels in tubes.

The Colorvive line is moving well, he said, "a surprise to us because of the high price points," he added.

Repackaged Jhirmack, supported by heavy advertising, is selling much better, said Gautreaux, who also credited L'Oréal's new product "inventiveness" when mentioning the following for Studio Line.

He felt that Agree, with its ad support from S.C. Johnson, might show some dramatic increases.

Among children's brands, Care For Kids was slow at press time, he said, but Johnson & Johnson's Baby Shampoo was selling as well as ever. Goody's Mickey Mouse hair accessories were just coming into the stores at press time, and Gautreaux thought they would do well.

Harco Drug

At Harco in Alabama, hair care is flat and dull—although buyer Charles Monk says Harco has an opportunity to expand in professional hair care, and he'll manage that over the next few months.

Monk says he wants to run schools on professional hair care educate the cosmeticians. He is already sending more product information into the stores for them to read.

In the shampoo category, Monk says the big trend is that consumers are buying more and more two-in-one shampoo/conditioners, led by Pert Plus and Vidal Sassoon.

In styling aids, the gels and mousses have peaked, so Harco is dropping slower movers and giving more space to top sellers. He singled out the Clairol styling aids and L'Oréal's Studio Line, particularly Pumping Curls, as among his best sellers.

John Frieda's Frizz-Ease has done very well in Harco stores, selling well even at its full $9.99 retail. Now Frieda is launching a number of line extensions, which Monk feels will make the manufacturer's line a top seller.

Bill's Drug

At Bill's Drug in Benicia, Calif., buyer Sharon Schrage says professional hair care lines, and the L'Oréal Studio Line, particularly the brand's styling aids for curly hair, are setting the sales pace in the category.

At press time, Bill's was preparing to advertise Frizz-Ease. Schrage said that based on what she's seen in other chains—a good ad plus placement on a highly visible endcap—should be effective.

Kinney

In Gouverneur, N.Y., Kinney buyer Robert Burtis says styling aids are turning the fastest for him, but he's waiting for the next big marketing trend to emerge.

"In hair styling, we've gone from regular hold to super to ultra to spritz to freeze, and now we've got to have one step beyond that. I'm waiting for the Super Glue Special," Burtis said.

He knows that teenage girls are still driving the growth in hair styling. "I went to a girl's soccer game recently, and they were out there playing for hours in the burning sun. One girl came off the field and her body was drenched in sweat, but she didn't have one hair out of place."

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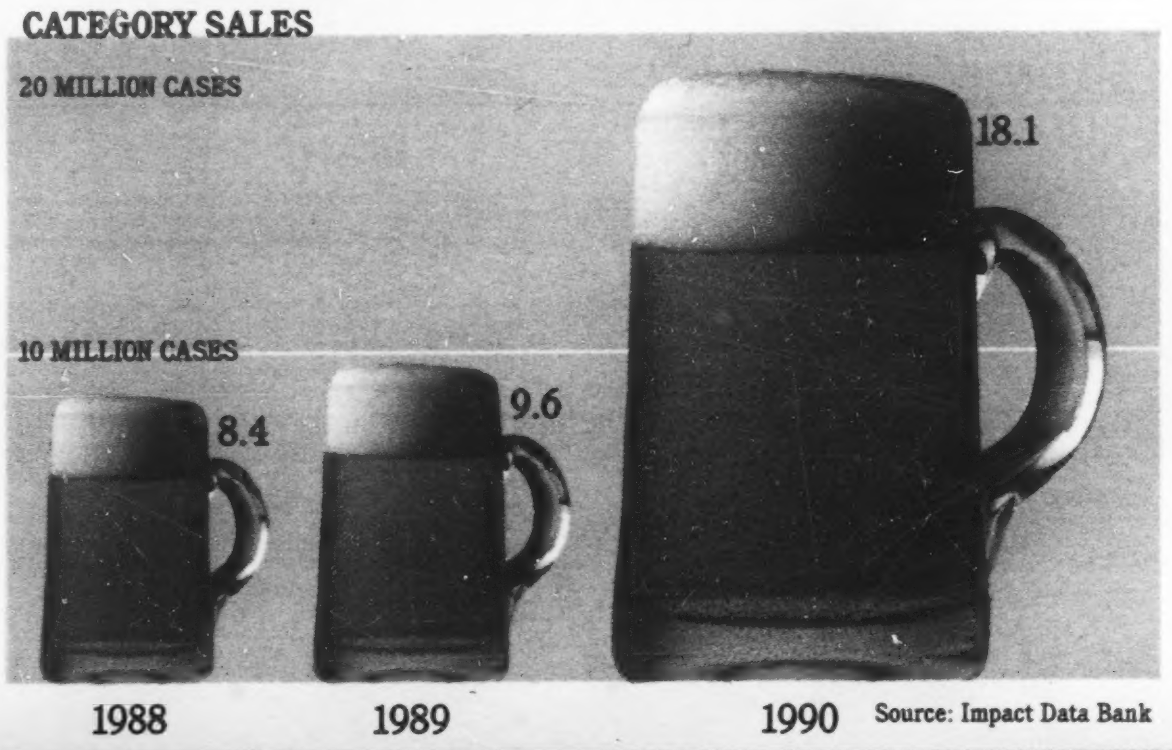
CATEGORY SALES



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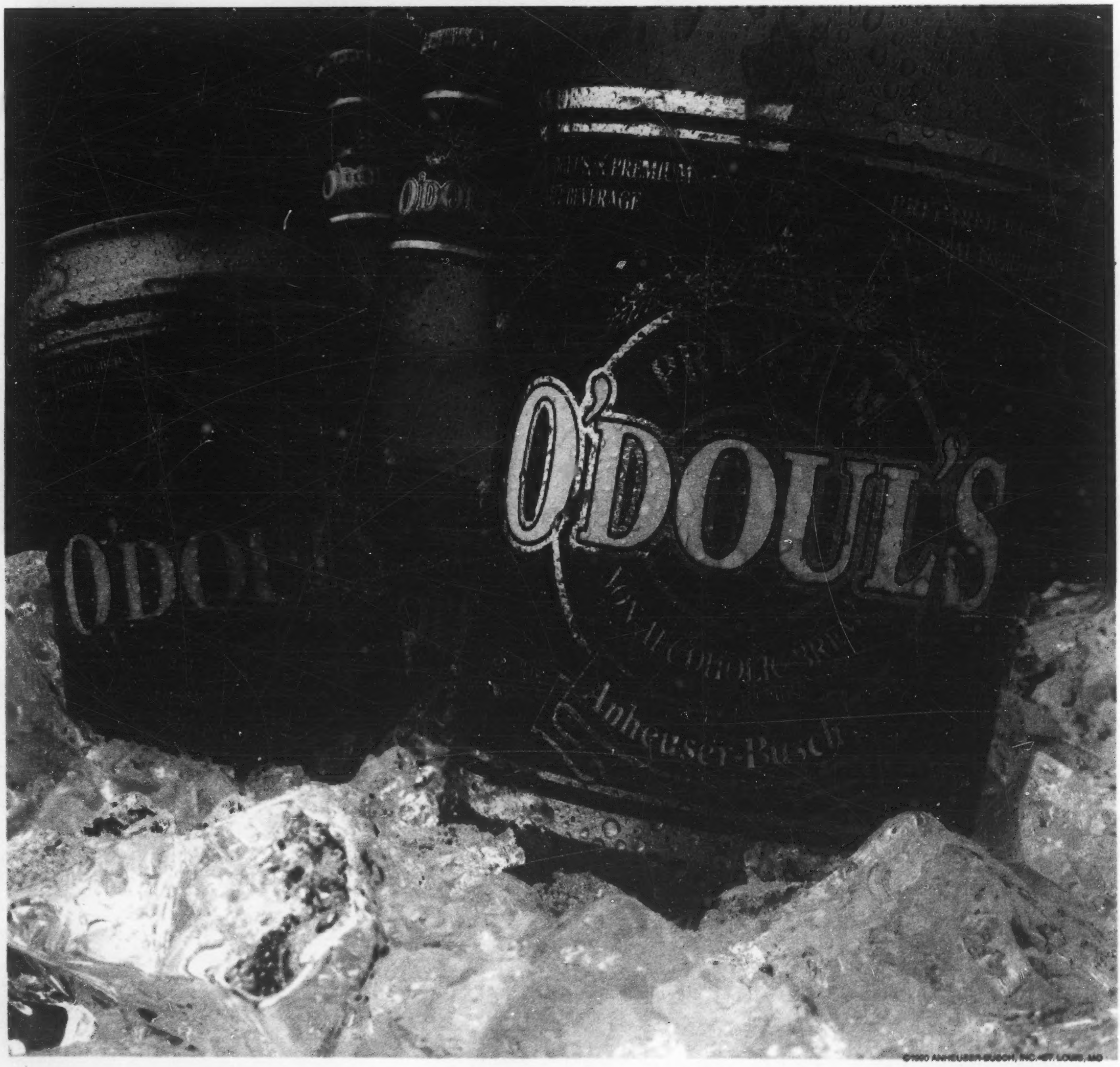


Triple A Products Rocket to Top of List

Sure, customer loyalty fuels sales. But manufacturer ad support and retail merchandising really launch these products and propel them to the top of the charts.

Items on this year's Triple A list read like a "Who's Who" of HBA and GM products: Tylenol, Advil, Robitussin, Mylanta, Ultra Slim Fast, Kodak, Polaroid, Duracell and Eveready, to name a few. Certainly, all the items have different uses and are designed to do different things. But they all have some important things in common.

Each one commands high consumer recognition, generates a tremendous sales volume and is backed by consistent and considerable manufacturer advertising dollars. As a group, they receive the lion's share of retailer promotional attention—so much so that retailers are often willing to sacrifice them as low-margin traffic-builders.

When new products soar to the top 100 list, retailers can be credited with fanning the flames of their popularity at store level. But it's really the manufacturers who light the popularity blaze.

"Retailers can help launch a product, but if the manufacturer doesn't have good promotions and doesn't give us enough lead time to get the promotions in place, there's not a lot we can do at store level to make the product fly," said Bob Morick, vp-marketing, at Phoenix-based Rx Plus. "The amount of FSI couponing and the amount of force manufacturers put behind a new product has a lot to do with its success."

U.S.S.
Triple A

The 100 Hottest Health & Beauty Aid Items

(Ranked by unit volume)

Rank	Product name	Rank	Product name
1	FLEET ENEMA REG. 4.5 OZ.	51	COLGATE TARTAR CONTROL 6.4 OZ.
2	GILLETTE SENSOR CARTRIDGES 5S	52	TYLENOL EX-STR GELCAP 24
3	CHAPSTICK REG.	53	BENADRYL ELIXIR 4 OZ.
4	AOSEPT SOLUTION 12 OZ.	54	MAALOX SUSP 12 OZ.
5	ROBITUSSIN DM 4 OZ.	55	TAMPAX REG. 40S
6	TYLENOL EX-STR CAPLETS 50S	56	ULTRA SLIM FAST VANILLA 15 OZ.
7	ULTRA SLIM FAST CHOC 15 OZ.	57	ALKA-SELTZER PLUS 36S
8	B&L SALINE 12 OZ. SEN EYE	58	KOTEX LIGHTDAYS UNSC 24S
9	ADVIL TABLETS 24S	59	BARBASOL SHAVE CREME 11 OZ.
10	ADVIL TABLETS 50S	60	THERAGRAN-M TABS 100+30
11	AQUA NET EXTRA SUPER HOLD 9 OZ.	61	TYLENOL EX-STR GELCAP 50
12	SUDAFED TABS 24S	62	LISTERINE 32 OZ.
13	AOSEPT DISC REPLACEMENT	63	EFFERDENT DENTURE TABS 40
14	GOOD NEWS RAZORS 10S	64	CLOSE-UP REG. GEL 6.4 OZ.
15	FIXODENT DENT ADH 2.5 OZ.	65	SLIM FAST CHOC MALT 15 OZ.
16	OIL OF OLAY 4 OZ.	66	TYLENOL EX-STR CAPLETS 100S
17	MENNEN SPEED STICK REG. 2.25 OZ.	67	AOSEPT SOLUTION 8OZ.
18	GILLETTE SENSOR RAZOR	68	SUMMERS EVE VIN & WATER TWIN
19	CENTRUM 100+30	69	CREST TARTAR GEL 6.4 OZ.
20	BIC RAZOR 10S	70	BIC RAZOR SENS 10S
21	MYLANTA LIQUID 12 OZ.	71	SCOPE 24 OZ.
22	EDGE SHAVE GEL	72	OPTI-FREE 12 OZ.
23	LISTERINE 6 OZ.	73	OIL OF OLAY 6 OZ.
24	B&L RENU MULTI-PURP SOL 12 OZ.	74	TYLENOL EX-STR TABLETS 100S
25	AQUA NET EX SUP HLD UNSCENT 9 OZ.	75	NEOSPORIN OINTMENT .5 OZ.
26	CREST TARTAR CONT 6.4 OZ.	76	BLISTIK LIP BALM .15 OZ.
27	TAMPAX SUPER 10S	77	CREST TARTAR GEL 2.7 OZ.
28	SLIM FAST CHOC BARS 10 CT	78	BENADRYL TABS 25MG 24S
29	ROBITUSSIN CF 4 OZ.	79	CREST REG. 4.6 OZ.
30	TAMPAX REG. 10S	80	LISTERINE 18 OZ.
31	VISINE EYE DROPS .5 OZ.	81	CREST TARTAR CONT 8.2 OZ.
32	CREST REG. 6.4 OZ.	82	EFFERDENT DENT TABS 96/90
33	TYLENOL DROPS 15CC	83	BLISTEX OINTMENT .21 OZ.
34	LISTERINE 48 OZ.	84	CREST TARTAR GEL 8.2 OZ.
35	COLGATE REG. 7 OZ.	85	ADVIL CAPLETS 24S
36	SUAVE XHLD NONAERO 8 OZ.	86	IMODIUM A-D CAPLETS 12S
37	TYLENOL EX-STR CAPLETS 24S	87	PEPTO-BISMOL LIQ 8 OZ.
38	ULTRA SLIM FAST STRAWB 15 OZ.	88	CREST TARTAR GEL 4.6 OZ.
39	AFRIN 15 ML	89	BAYER BABY ASPIRIN TABS 36S
40	ARM & HAMMER TOOTHPASTE 5 OZ.	90	ALKA-SELTZER PLUS 20S
41	TYLENOL EX-STR GELCAP 100	91	CREST REG. 2.7 OZ.
42	TYLENOL EX-STR TABLETS 30S	92	MYLANTA II 12 OZ.
43	CARMEX .25 OZ.	93	K-Y JELLY 2 OZ.
44	Q-TIPS 300S	94	GOOD NEWS RAZORS 5S
45	DIMETAPP ELIXIR 4 OZ.	95	J&J BABY POWDER 10 OZ.
46	ADVIL TABLETS 100S	96	CREST MINT 6.4 OZ.
47	TAMPAX SUPER 40S	97	VISINE EYE DROPS .5 OZ.
48	NYQUIL 6 OZ.	98	DAISY PLUS 10S
49	SLIM FAST CHOC PWDR 15 OZ.	99	PEPTO-BISMOL LIQ 4 OZ.
50	BAYER ASPIRIN 100S	100	TROJAN-ENZ LUB 12S

Source: *Drug Store News* research

The 100 Hottest Health & Beauty Aid Items

(Ranked by dollar volume)

Rank	Product name	Rank	Product name
1	ULTRA SLIM FAST CHOC 15 OZ.	51	TYLENOL EX-STR TABS 100S
2	AOSEPT SOLUTION 12 OZ.	52	OB TAMPON SUPER ABS 30S
3	CENTRUM MULTI VIT 100/30	53	ROBITUSSIN DM 8 OZ.
4	GILLETTE SENSOR CARTS 5S	54	OPTI-CLEAN II 20ML
5	TYLENOL EX-STR CAPLETS 50S	55	ADVIL TABS 250S
6	B&L RENU SOL 12 OZ.	56	SLIM FAST PBUTTER BARS 10S
7	ADVIL TABS 50S	57	TYLENOL EX-STR GELCAP 24S
8	TYLENOL EX-STR CAPLETS 100S	58	NYQUIL 10 OZ.
9	OIL OF OLAY 4 OZ.	59	TYLENOL EX-STR GELCAP 150S
10	ULTRA SLIM FAST VAN 15 OZ.	60	ALKA-SELTZER PLUS 20S
11	ADVIL TABS 100S	61	OB TAMPON SUPER+ ABS 30S
12	THERAGRAN-M TABS 100+30	62	ATRA PLUS 10S
13	ULTRA SLIM FAST STRAWB 15 OZ.	63	BENADRYL CAPS 25 MG 48S
14	OPTI-FREE 12 OZ.	64	BOSTON ADVANCE CLNR 1 OZ.
15	AOSEPT SOLUTION 8 OZ.	65	BENADRYL TABS 25MG 24S
16	AOSEPT DISC REPLACEMENT	66	ANACIN TABS 100S
17	ROBITUSSIN DM 4 OZ.	67	SLIM FAST VANILLA POWDER 15 OZ.
18	LISTERINE 48 OZ.	68	OPTI-ZYME ENZYMATIC CLN 24S
19	ULTRAZYME CLEANER 10S	69	MENNEN SPEED STICK REG 2.25 OZ.
20	TAMPAX SUPER 40S	70	SUDAFED TABS 48 S
21	TYLENOL EX-STR GELCAP 50S	71	AFRIN 30ML
22	SLIM FAST CHOC BARS 10S	72	BOSTON ADV COND SOL 4 OZ.
23	BENADRYL CAPS 25 MG 24S	73	PEPTO-BISMOL 16 OZ.
24	TAMPAX ORIGINAL 40S	74	TRAC II PLUS BLADES 10S
25	IMODIUM A-D CAPLETS 12S	75	PLAYTEX TAMPONS REG DEOD 28S
26	CIBA SALINE AERO 12 OZ.	76	TAMPAX SUPER PLUS 40S
27	SUDAFED TABS 24 S	77	TYLENOL DROPS 15CC NON ALC
28	ADVIL TABS 24S	78	VISINE EYE DROPS .5 OZ.
29	SLIM FAST CHOC PWDR 15 OZ.	79	FIXODENT DENT ADHES 2.5 OZ.
30	TYLENOL EX-STR CAPLETS 175S	80	ROBITUSSIN CF 4 OZ.
31	ADVIL CAPLETS 100S	81	NEUTROGENA FACE MOIST 4 OZ.
32	B&L SENSITIVE DISINF SOL 12 OZ.	82	NEOSPORIN MAX STR OINT .5 OZ.
33	TYLENOL EX-STR TABS 60S	83	DAISY PLUS 10-S
34	GOOD NEWS RAZORS 10S	84	EFFERDENT TABS 96/90
35	TYLENOL EX-STR CAPLETS 24S	85	PLAYTEX TAMPONS SUPER DEOD 28S
36	GILLETTE SENSOR RAZOR	86	FLEET ENEMA 4.5 OZ.
37	OIL OF OLAY 6 OZ.	87	BENADRYL ELIXIR 4 OZ.
38	BAYER ASPIRIN 100S	88	METAMUCIL REGULAR 29 OZ.
39	AFRIN 15ML	89	ULTRAZYME CLEANER 20S
40	ADVIL TABS 165S	90	NYQUIL 6 OZ.
41	ENSURE VANILLA 8 OZ./6PK	91	LISTERINE 12 OZ.
42	ENSURE PLUS VAN 8 OZ./6PK	92	DEPENDS X-ABSORB 30S
43	METAMUCIL POWDER 19 OZ.	93	TAMPAX SLENDER REG 40S
44	SLIM FAST CHOC MALT 15 OZ.	94	DEXATRIM MAXIMUM CAPS 20S
45	ALKA-SELTZER PLUS 36S	95	SLIM FAST STRAWBERRY 15 OZ.
46	LISTERINE 32 OZ.	96	METAMUCIL ORANGE 29 OZ.
47	TYLENOL EX-STR TABS 200S	97	EXCEDRIN ANALGESIC TABS 225S
48	MYLANTA LIQUID 12 OZ.	98	MAALOX SUSP 12 OZ.
49	DIMETAPP ELIXIR 4 OZ.	99	STAYFREE MAXI SUPER
50	METAMUCIL ORANGE POWDER 19 OZ.	100	LISTERINE 24 OZ.

Source: *Drug Store News* research

The 100 Hottest General Merchandise Items

(Ranked by unit volume)

Rank	Product name	Rank	Product name
1	KODAK GOLD 200 GB135-24C	51	BIC 10 BALL PENS BLUE
2	KODAK GOLD 100 GA135-24C	52	POLAROID 600 PLUS 2 PK
3	DURACELL AA 4 PK	53	FUJI SUPER HR 200 CN 135-24
4	KODAK GOLD 200 GB110-24C	54	CARTERS MARK A LOT BLACK
5	DURACELL AA 8 PK	55	KODAK GOLD 3 PK GA135-24-3
6	KODAK GOLD 400 GC135-24C	56	BRAWNY TOWELS ASST 1CT
7	ENERGIZER AA 8 PK	57	3M SCOTCH CLEAR TAPE 1/2X500
8	POLAROID 600 PLUS SINGLE	58	MEAD COLOR TALK PORTFOLIO
9	ENERGIZER AA 4PK	59	FUJI SUPER HR 100 CN 135-24
10	BOUNTY TOWELS DESIGN	60	NORTHERN BATH TISSUE 6 PK
11	DURACELL AA 2 PK	61	AJAX DISH LIQUID 22 OZ
12	POSTERBOARD WHITE 22X28	62	KLEENEX BOUTIQUE 100S
13	CHARMIN 12 ROLL WHITE	63	CLOROX BLEACH 32 OZ
14	SCOTT BATH TISSUE WHITE 4PK	64	GLADE COUNTRY GARDEN
15	AJAX CLEANSER 14 OZ	65	BIC 10 BALL PENS BLACK
16	DURACELL D 2 PK	66	GLADE MOUNTAIN HEATHER
17	COMET CLEANSER POWD 14 OZ	67	STUART HALL THEME BOOK WIDE
18	SCOTT TOWELS DECORATED	68	KRAZY GLUE TUBE
19	ARM & HAMMER BAKING SODA 16 OZ.	69	CLOROX FRESH SCENT 64 OZ
20	NORTHERN BATH TISSUE 12 ROLL	70	OXFORD 3X5 INDEX CARDS
21	DURACELL C 2 PK	71	GLADE CINNAMON STICK
22	DURACELL AAA 4 PK	72	MEAD BRIEF FOLDERS 100S
23	TIDE LIQUID 64 OZ	73	ENERGIZER D 4 PK
24	SCOTCH MAGIC TAPE 1/2X450	74	IVORY LIQ DISH DETERGENT 22 OZ
25	ENERGIZER AA 2 PK	75	3M SCOTCH MAGIC TP 1/2X950
26	SCOTCH MAGIC TAPE 3/4X300	76	PAPERMATE PEN 10 PK BLACK
27	ENERGIZER AAA 4 PK	77	TIDE W/BLEACH 39 OZ
28	KODAK DISC 155-4633	78	KLEENEX ULTRA 70CT
29	CLOROX BLEACH LIQUID 128 OZ	79	DAWN LIQ DISH DETERGENT 22 OZ.
30	KODAK GOLD 200 4GB135-36C	80	FUJI SUPER HR 200 CN 135-24-3 PK
31	KODAK AA 8 PK	81	B&S CRAYOLA 64S
32	ENERGIZER D 2 PK	82	GLADE SPRING FRESH 7 OZ
33	KODAK GOLD 100 GA135-36C	83	SCOTTIES FACIAL 280S
34	KLEENEX TISSUE WHITE 175S	84	GLADE COUNTRY BREEZE 7 OZ
35	KODAK GOLD 400 7GC135-36C	85	PAPERMATE PEN 10 PK BLUE
36	ENERGIZER C 4 PK	86	DOWNY FABRIC SOFTENER 64 OZ
37	DURACELL C 4 PK	87	TIDE 136 OZ REGULAR
38	DURACELL AAA 2 PK	88	KLEENEX ULTRA 150 CT
39	BRAWNY TOWELS 3 PK	89	ALL LIQUID DETERGENT 64 OZ
40	PUREX DETERGENT POWDER 136 OZ	90	TIDE W/BLEACH 136 OZ
41	KODAK GOLD 200 GB110-12C	91	ELMERS GLUE ALL 4 OZ
42	TIDE 39 OZ REG	92	GLADE SUPER FRESH AERO 7 OZ
43	KLEENEX LITTLE TRAV 65S	93	SUNLIGHT DISH DETER 22 OZ
44	MEAD TRAPPER PORTFOLIO	94	SUPER GLUE TWIN PACK
45	POLAROID TIME ZERO SINGLE	95	CASCADE 65 OZ POWDER DISH
46	DENNISON GLUE STICK	96	FUJI SUPER HR CN 110-24
47	KLEENEX DISPENSER 130S	97	B&S CRAYOLA 16S
48	STUART HALL THEME BK COLLEGE	98	PENTECH HOT SPOT HILITER 5S
49	KLEENEX TISSUE ASSORTED 250S	99	KRAZY GLUE PEN
50	KLEENEX SOFTIQUE 250CT	100	ELMERS GLUE ALL 1.25 OZ

Source: *Drug Store News* research

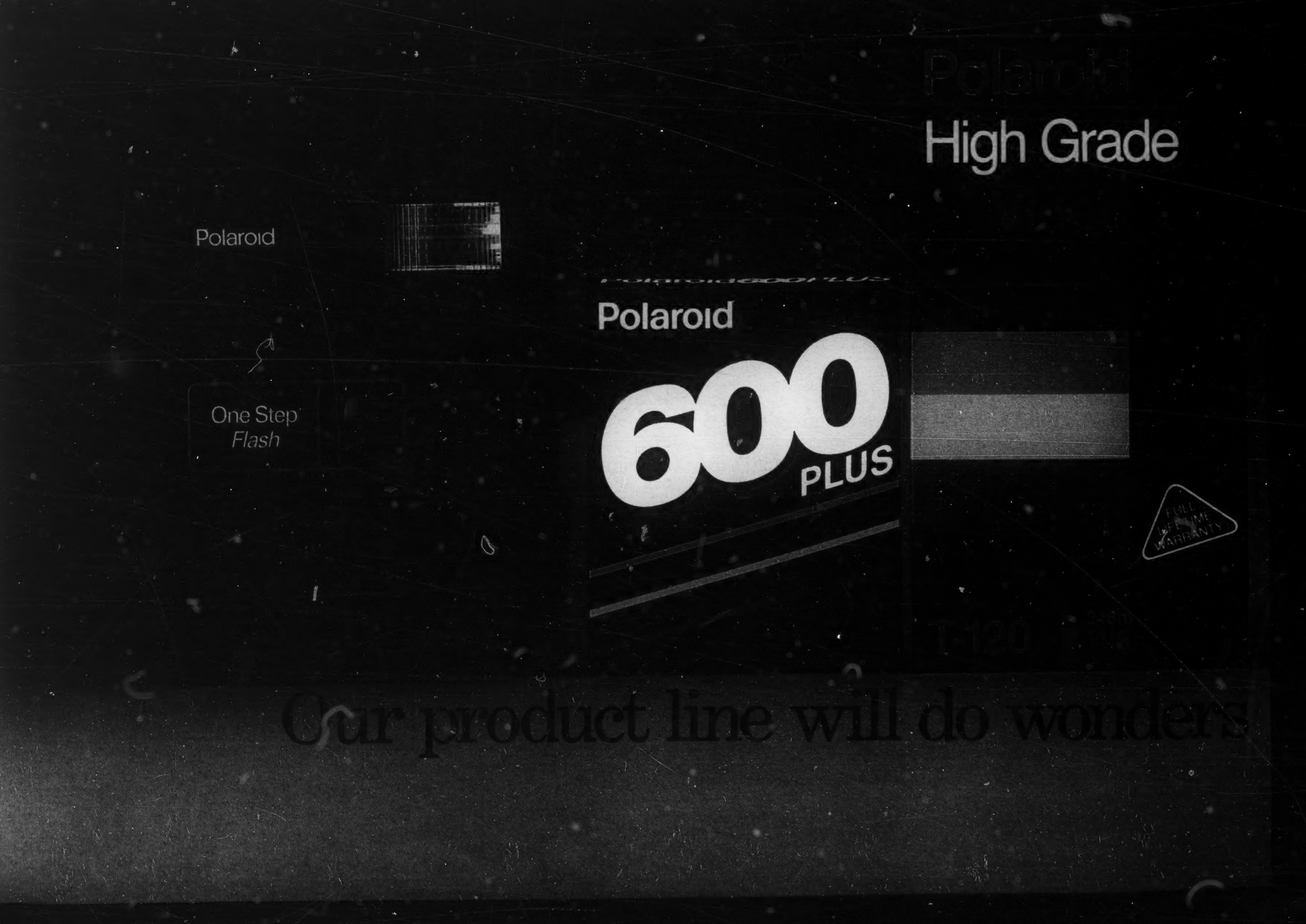
The 100 Hottest General Merchandise Items

(Ranked by dollar volume)

Rank	Product name	Rank	Product name
1	POLAROID 600 PLUS SINGLE	26	KODAK DISC
2	KODAK GOLD 200 GB135-24C	27	KODAK GOLD 100 GA135-36C
3	KODAK GOLD 100 GA135-24C	28	ENERGIZER AA 2 PK
4	POLAROID 600 PLUS 2 PK	29	ARM & HAMMER BAKING SODA
5	DURACELL AA 4 PK	30	CLOROX BLEACH 128 OZ
6	KODAK GOLD 200 GB110-24C	31	ENERGIZER D 2 PK
7	ENERGIZER AA 4 PK	32	NORTHERN BATH TISSUE 6 ROLL
8	KODAK GOLD GB135-24-3 PK	33	ENERGIZER 9V
9	DURACELL AA 8 PK	34	ENERGIZER C 2 PK
10	ENERGIZER AA 8 PK	35	KODAK GOLD GC135-24-3 PK
11	CHARMIN 12 ROLL WHITE	36	KODAK GOLD 400 GC135-36C
12	PUREX DETERGENT POWDER 136 OZ	37	DURACELL AAA 4 PK
13	NORTHERN BATH TISSUE 12 ROLL	38	DURACELL C 4 PK
14	DURACELL AA 2 PK	39	ENERGIZER AAA 4 PK
15	KODAK GOLD GA135-24-3 PK	40	KLEENEX TISSUE ASSORTED 250S
16	TIDE LIQUID 64 OZ	41	ENERGIZER C 4 PK
17	KODAK GOLD 400 GC135-24C	42	KLEENEX SOFTIQUE 250S
18	SCOTT BATH TISSUE WHT 4-ROLL	43	DURACELL AAA 2 PK
19	KODAK GOLD 200 GB135-36C	44	AJAX DISH LIQUID 22 OZ
20	POLAROID TIME ZERO SINGLE	45	DURACELL D 4 PK
21	BRAWNY TOWELS 3 ROLL PACK	46	FUJI SUPER HR 200 CN 135-24
22	DURACELL D 2 PK	47	ENERGIZER D 4 PK
23	BOUNTY TOWELS DESIGN	48	FUJI SUPER HR 100 CN 135-24
24	SCOTT TOWELS DECORATED	49	ENERGIZER AAA 2 PK
25	DURACELL 9V	50	KLEENEX TISSUE WHITE 175S

Source: *Drug Store News* research

*Source: ITA Shipments, December, 1989 "Polaroid," "OneStep," "OneFilm" ® Polaroid® 1991

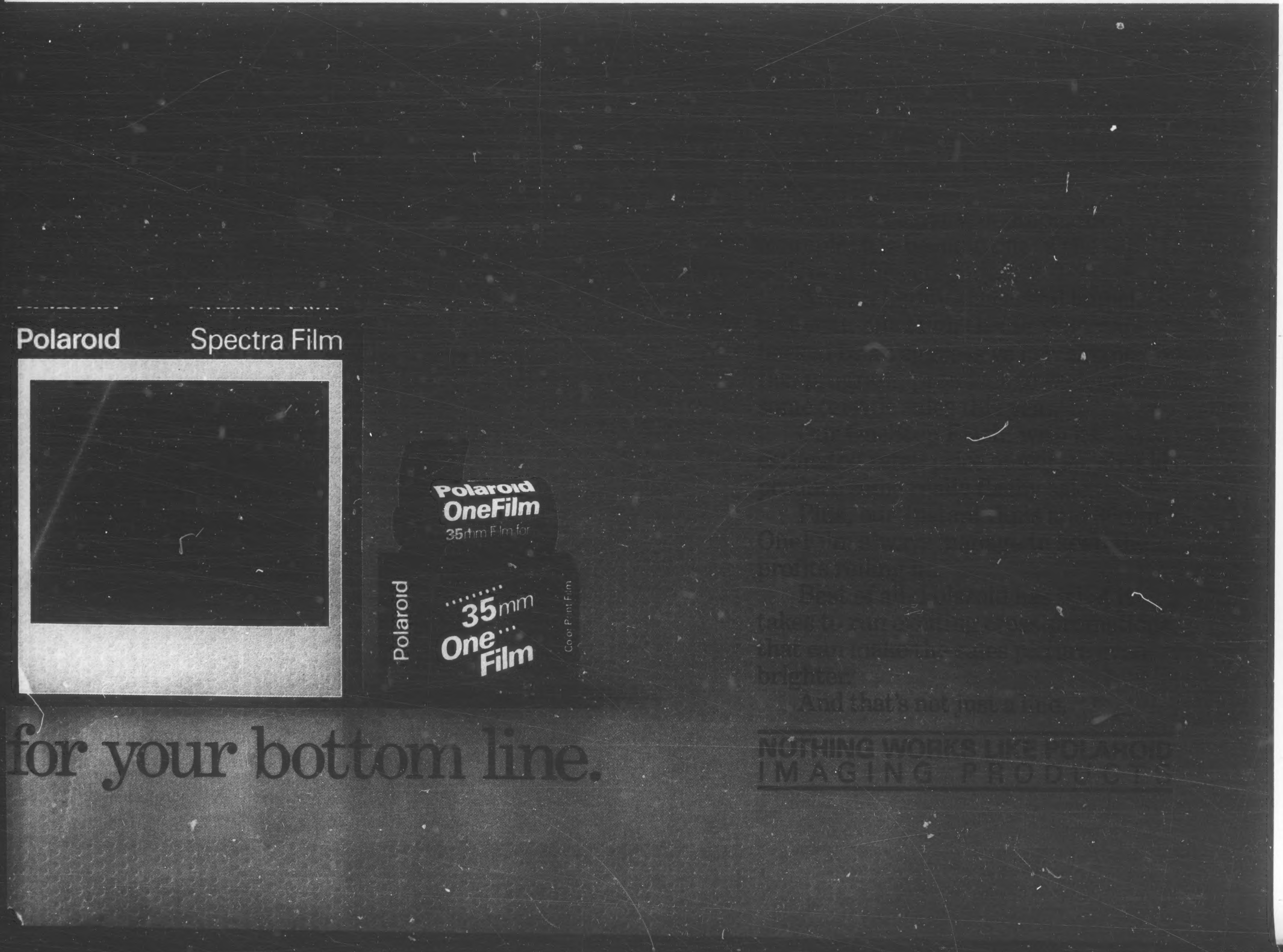


The 100 Hottest General Merchandise Items

(Ranked by dollar volume)

Rank	Product name	Rank	Product name
51	COMET CLEANSER 14 OZ	76	KODAK AA 2 PK
52	ENERGIZER 9V 2 PK	77	IVORY LIQ DISH DETERGENT 22 OZ
53	KODAK GLD 200 GB135-12C	78	AJAX POWDER DETERGENT 32 OZ
54	MEAD TRAPPER PORTFOLIO	79	KLEENEX ULTRA 150S
55	KODAK AA 4 PK	80	STUART HALL THEME BOOK COLLEGE
56	KLEENEX DISPENSER 130S	81	CORONET TISSUE 8 ROLL
57	KODAK AA 8 PK	82	KODAK AAA 4 PK
58	KODAK C 2 PK	83	KLEENEX BOTIQUE 95S
59	POSTERBOARD WHITE 22X28	84	KODACOLOR GOLD 200 GB126-12C
60	KODAK D 2 PK	85	WISK LIQ DETERGENT 64 OZ
61	DOWNY FABRIC SOFTENER 64 OZ	86	KODAK AAA 2 PK
62	KODAK GOLD GB110-24-2 PK	87	KLEENEX ULTRA 108S
63	FUJI SUPER HR 200 CN 135-24-3 PK	88	KLEENEX LITTLE TRAVELER 65S
64	DAWN DISH DETERGENT 22 OZ	89	ENERGIZER D 6 PK
65	TIDE W/BLEACH 39 OZ	90	BOUNCE FAB SOFTENER 40S
66	CHARMIN TISSUE 6 ROLL	91	KLEENEX BOUTIQUE 100S
67	POLAROID SPECTRA SINGLE	92	KLEENEX POCKET PACK 8S
68	KODAK BATTERY 9V	93	ALL LIQUID DETERGENT 64 OZ
69	SUNLIGHT DISH DETER 22 OZ	94	B&S CRAYOLA 64S
70	SCOTTIES FACIAL 280CT	95	CASCADE LIQUID 50 OZ
71	TIDE 39 OZ REG	96	WOOLITE RUG CLN 22 OZ SPRAY
72	KODAK GOLD 400 GC110-24C	97	KLEENEX ULTRA 70S
73	FUJI SUPER HR CN 110-24	98	STUART HALL THEME BOOK WIDE
74	ENERGIZER C 6 PK	99	JOY DISH DETERGENT 22 OZ
75	LISA FRANK PAPER PACK 1T	100	GLADE COUNTRY GARDEN 7 OZ

Source: *Drug Store News* research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IMAGING PRODUCTS

Bulk of Top 100 lists made of tried-and-true staples

Aside from the occasional neophyte product, the bulk of the Top 100 list still rests with the tried-and-true staples of chain drug retailing.

These products are the cream of the crop, achieving their impressive turns because they have a built-in customer loyalty. That loyalty, say retailers, was earned not only by the relentless promotion required to keep the products on top, but also by the merits inherent in the products themselves.

Steve Lund, vp-merchandising, Perry Drug Stores, attributes their standing primarily to the fact that they fill a genuine consumer need. But he says that's not all that keeps sales healthy.

In truth, there is very little product differentiation in saturated categories. Most retailers admit that sales of No. 1 products are ad-driven.

"When Pert Plus entered the market, it offered a unique advantage [shampoo and conditioner combined in one formulation]. Then it lived up to that advantage," he said. "But you can't overlook the effect of the tremendous amount of money the manufacturer spent introducing the product. And Procter & Gamble didn't forget about advertising the product later, so it continues to keep its market share."

Lund believes that HBA products are so impulse-oriented that manufacturers must continue to bankroll advertising for mature products to keep them top of mind for consumers. Store tie-in promotions and FSI couponing of the "buy-one-get-one-free" variety are important here too and can breathe new life into old products.

Another way for manufacturers to keep their products in the public eye is by introducing line extensions. The tactic has been a winner for manufacturers. Thera-Flu, a highly successful recent product introduction, will tap into its popularity with line extensions this year. McNeil Pharmaceuticals is even planning a line extension this year for the recently switched Imodium A-D.

While retailers are always happy to offer consumers something new, their feelings are mixed about finding shelf space for the items.

"Line extension products force us to carry more SKUs and dilute our sales," said one buyer at a Midwestern chain. Said Tony Montini, senior vp, purchasing, merchandising and marketing at Reliable Drug Stores: "Tylenol is still No. 1 in that category and has grown in SKUs, but it has not grown proportionately in additional sales or additional space."

Despite their support of their own private label brands, most retailers rely on branded products to give them the customer traffic vital to any retail business. They are doing their part to push the old standbys at store level by heavily merchandising those branded items.

Retailers pump up volume

Retailers use branded items as category anchors, planogramming around them to give them the best eye-level shelf space and the most facings. They also serve as anchors for circular advertising. Often, these items get off-shelf display space as well.

Top 100 products dominate end caps at Pontiac, Michigan-based Perry Drug Stores. "Typically, we place highly consumable items in an end cap," said Scott Gorley, assistant vp-merchandising. "Q-Tip 300 count swabs are a good example, since they enable you to give customers a bulk look without forcing you to tie a high outlay of stock dollars in the display."

Gorley also frequently stocks Northern four-pack toilet tissue or Plax mouthrinse in an end cap. Endcaps also beef up unit movement of products such as Ultra Slim Fast, Fleet enemas, Bic shavers and Neosporin at the 299-store chain.

Cough cold products get seasonal end caps at many

Continued on page 70

How chain drug stores used ad space: 1991 vs. 1990*

(Percentage of space devoted to each category each month, first six months)

HBA

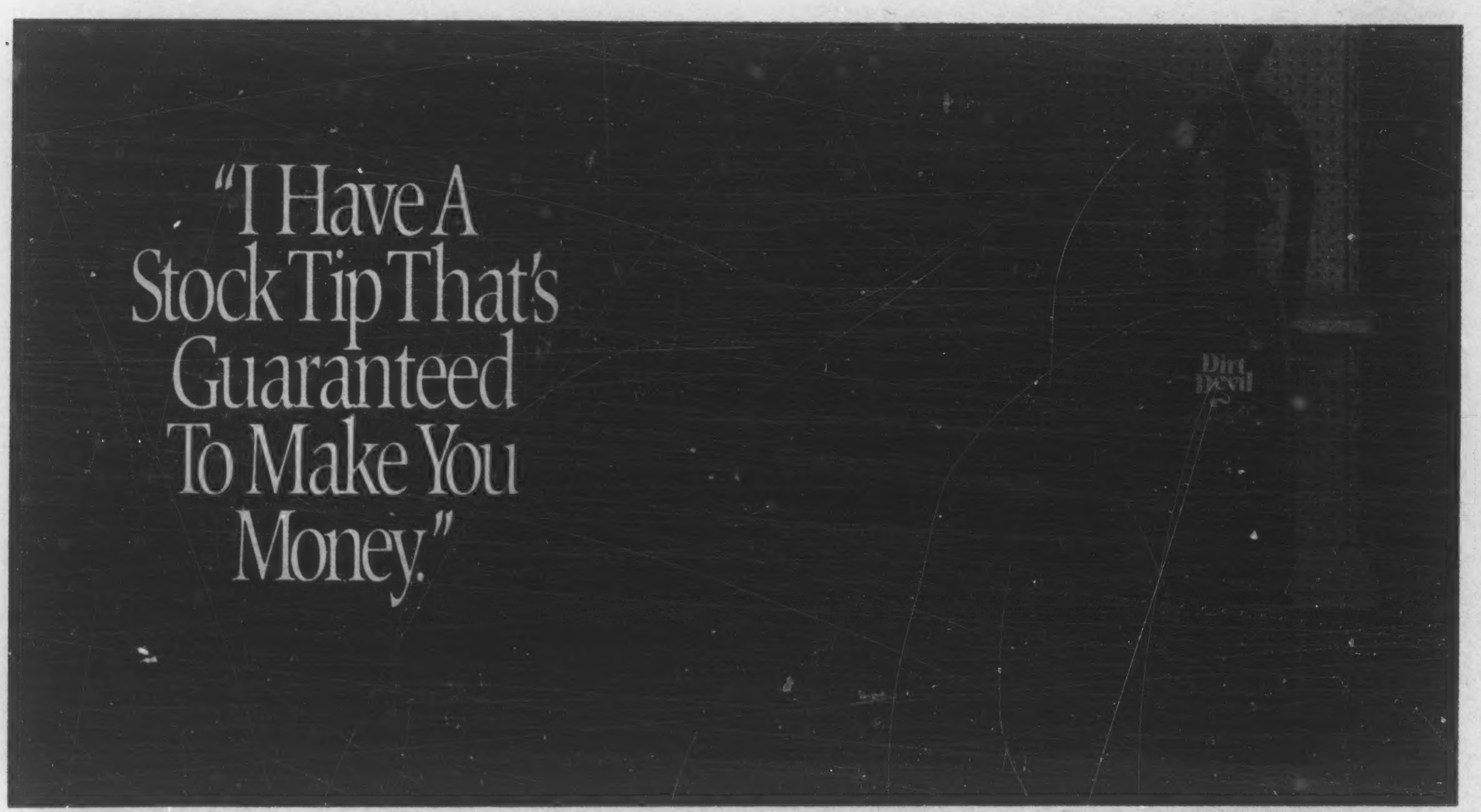
Category	Jan. '90	Jan. '91	Jan. % chg	Feb. '90	Feb. '91	Feb. % chg	March '90	March '91	March % chg	April '90	April '91	April % chg	May '90	May '91	May % chg	June '90	June '91	June % chg
Analgesics	3.0%	2.7%	−12%	3.4%	2.7%	−22%	3.7%	2.8%	−25%	2.4%	2.5%	+ 5%	2.4%	1.9%	−21%	2.5%	2.5%	+ 2%
Antacids	1.3	1.2	−10	1.6	1.2	−27	1.6	1.0	−39	1.4	1.1	−20	1.4	0.9	−34	1.6	1.0	− 36
Baby needs	2.1	1.8	−15	2.1	2.1	− 3	2.3	1.9	−18	2.2	3.3	+53	2.2	1.9	−12	2.1	2.2	+ 4
Cough/cold	6.2	6.7	+ 8	6.4	4.9	−23	5.0	3.4	−33	2.3	2.7	+18	2.3	1.9	−17	2.7	1.3	− 52
Dental	3.9	3.3	−17	4.4	4.0	− 8	3.3	3.0	−10	3.2	3.2	0	3.2	2.6	−19	3.5	3.2	− 8
Deodorants	1.9	1.9	+ 2	2.3	2.0	−13	2.9	2.0	−29	2.4	2.1	−12	2.4	1.9	−21	2.5	2.5	+ 2
Diet aids/vitamins	6.3	5.0	−21	5.1	4.0	−21	5.0	3.5	−31	3.6	3.8	+ 4	3.6	3.0	−18	4.5	3.6	− 19
Eye care	2.7	2.5	− 5	2.9	2.1	−29	2.3	2.3	− 2	2.4	2.5	+ 5	2.4	2.6	+ 9	2.6	2.7	+ 5
Family planning	0.3	0.2	−29	0.6	0.3	−49	0.3	0.4	+ 9	0.3	0.3	−12	0.3	0.2	−41	0.8	0.5	− 36
Feminine hygiene	1.6	1.6	0	2.1	1.7	−20	1.8	1.8	+ 1	1.7	1.9	+11	1.7	1.7	− 1	1.5	2.1	+ 45
First aid**	0.3	0.6	+77	1.1	0.8	−29	1.2	0.8	−31	1.9	1.7	−12	1.9	2.1	+ 8	1.5	2.9	+100
Hair care	6.3	9.6	+53	6.5	9.4	+45	7.2	8.9	+23	6.5	9.7	+50	6.5	9.2	+42	7.0	9.4	+ 36
Home health care	3.5	3.4	− 2	4.1	3.7	− 9	4.7	3.7	−21	4.4	4.0	−10	4.4	3.7	−17	3.8	4.3	+ 13
Men's toiletries	2.2	2.8	+25	2.9	3.3	+14	2.8	2.2	−22	1.6	2.1	+32	1.6	1.7	+ 7	2.1	5.3	+150
Skin care***	8.7	8.0	− 8	7.5	7.7	+ 2	7.7	8.3	+ 8	9.6	9.7	+ 1	9.6	11.0	+15	8.2	9.6	+ 18

*Ad activity for top 50 drug chains

**First aid here includes antibiotic ointments as well as bandages, etc.

***Skin care here includes lotions/creams and bar soap

Source: Ad Activity Marketing Services Inc., Springfield, Ill.



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Tried-and-true staples bulk of Top 100

Continued from page 68

chains, including North Carolina's Kerr Drugs. Buyer Paige Ilderton said she often devotes off-shelf display space to tooth whitening products, a category she said is exploding in her market.

Occasionally, she cross-mechandises an end cap. One hot line for her is Studio Line hair products, items she says are top performers at the chain. Donald Gross, vp-marketing at Melville, N.Y.-based Genovese Drug Stores, cross-merchandises end caps as well, often featuring items such as Colgate toothpaste and Plax alongside toothbrushes and dental floss.

Enough product, right price

Price and stock are two issues which forever vex retailers when it comes to the Top 100 club. It's great that customers know these items so well. But it also means that they know them by price, which leaves little room for price differentiation on top performers.

"The top 50 or 100 items are very price-sensitive," said Kerr's Ilderton. "Customers shop these items and know where the best buy is."

As a result, retailers who are not chipping away at the margins of these products may find themselves losing a sale to competitors who may be all too willing to knock the price down to win consumers. That's the core of the deep discount strategy.

The products—and their competitive prices—are relentlessly promoted by retailers in circulars and in-store shelf pricing. When manufacturers run their own promotions, retailers want to be sure they have enough product in stock to satisfy customers.

Manufacturer tie-ins are important at Rx Plus. Marketing vp Robert Morick times his ads and circulars to a manufacturer's push. "You have to strike when it's hot," he said. "That means not only having it in stock, but also displaying it so that it's easily accessible to the customer."

Technological advantages have enabled retailers to use sophisticated inventory control systems to better monitor stock levels so that they are never caught short on the "bread and butter" items. Falling short on "the right stuff" can cost a retailer sales.

Two Rx-to-OTCs set sights on top 50 in '92

Couponing and ad support nearly propelled two Rx-to-OTC switches—Schering-Plough's Gyne-Lotrimin and Ortho's Monistat-7—to the Triple A top 100 list this year.

But, because the products didn't start to appear in stores until March, they failed to generate enough total sales to qualify them for the top 100 chart, which is based on a full calendar year ending June 30. Retailers fully expect that a full year of selling will place these items in the Top 100, if not the Top 50, in 1992.

Schering and Ortho didn't have to create a need for the products; both of them had a built-in prescription customer base. What the companies did create was an awareness that paid off for retailers—giving the products even quicker turns this year as OTC products.

Of course, it didn't hurt that both pharmaceutical companies pumped millions of dollars into consumer advertising. They did such a good job that, according to one retailer, even Ortho underestimated sales and has since revised its sales plan.

Sales volume of the products at Osco was fueled by customers drawn in by the aggressive couponing both companies did, according to Fred Burkhalter, vp-marketing, southern region of parent American Drug Stores.

Tim McAlear, president and ceo of Pay Less, said both brands of the antifungal cream ran a neck-and-neck race for sales volume since the FDA approved the switches in February.

Another successful switch was McNeil Pharmaceutical's Imodium A-D, an anti-diarrheal, now making waves as an OTC product.

The Industry Spoke... and SHOPA Listened.

SHOPA...a newly formed School and Home Office Products Association of retail buyers and manufacturers

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—*Merry Ballweber, Fred Meyer*

"I want a four-day working show with appointments to preview products and programs with all my vendors. That's why I'm going to the SHOPA SHOW."—*Debbie Kelly, Walgreens*

"Providing what customers want is at the heart of any business. Retailers have asked for an earlier show in a 'friendlier' location for years. Now we can provide what they have wanted with this Association-sponsored event."—*Rex Miller, Mead Corporation*

"Exhibiting at the SHOPA SHOW will save us money. New Orleans is one of the least expensive convention sites. But even if it were more, seeing buyers before decisions are made is the only efficient use of our resources."
—*Charlie O'Neil, Stuart Hall*

"Finally, the mass market stationery industry has the right show at the right time. We're going to support the SHOPA SHOW in New Orleans this December, prepared to see all of our buyers."
—*Jim Williamson, Esselte*

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Rite Aid reports record earnings for 2nd qtr.

SHIREMANSTOWN, Pa. — Rite Aid Corp. reported record earnings for the second quarter ended August 31. During the 13 weeks, corporate revenues rose 9 percent to $900.7 million from $826.2 million. Quarterly earnings grew 11.5 percent to $25.1 million from $21.5 million.

Drug store sales were up 8.7 percent to $849.0 million in the quarter, compared with $780.8 million in the same period a year earlier. Net drug store income for the quarter was up 15.5 percent to $23.6 million from $20.4 million in the comparable year-earlier period.

Year-to-date retail drug sales rose 8.9 percent to $1.71 billion, and net income advanced 14.3 percent to $50.0 million. Same-store sales were up 7 percent for the quarter and 7.3 percent for the 26-week period. The retail drug division ended the quarter with 2,439 drug stores.

Sales for Rite Aid Corp.'s specialty retailing arm, American Discount Auto Parts, were up 15.7 percent for the 13-week quarter to $22.5 million, compared with the year-earlier period's$19.4 million in volume. Earnings increased 23.1 percent to $571,000 from the year-earlier's $464,000. ADAP opened three stores in the quarter to end the period with 86 retail locations.

Fay's qtr. revenues up; sets sights on 2nd half

LIVERPOOL, N.Y. — Fay's posted net earnings for the second quarter of $1.25 million, or 8 cents a share, compared with $3.25 million, or 21 cents a share in the second quarter last year. Revenues in the quarter ended July 27 increased 27.8 percent to a record $207.4 million, as comparable store sales climbed 5.7 percent.

Chairman Henry Panasci, Jr. said earnings were affected by lower than expected gross margins, store expansion costs and sales weakness in the Paper Cutter division.

"With the costs of absorbing the Carls stores behind us and recessionary pressures easing, we expect that second half results will be more in line with expectations," said Panasci.

First half net earnings are at $3.1 million versus last year's $4.2 million, with six months sales of $384.6 million against $315.5 million in last year's comparable period.

Albertson's qtr. net income up 10.9%

BOISE, Idaho — Albertson's reported record sales of $2.19 billion for the second quarter ended Aug. 1, a 5.7 percent increase over the $2.07 billion in the comparable period a year ago.

Net earnings rose 10.9 percent for the quarter, to $58.7 million from $52.9 million, and operating profit gained 15 percent, to $93.8 million from $81.6 million. Same-store sales increased 1.4 percent.

For the first half, sales were $4.35 billion, a 6.6 percent gain over the $4.08 billion for the period last year. Net earnings rose 12.7 percent, to $117.3 million from $104.1 million. Same-store sales increased 2.5 percent.

Gross margin was 23.41 percent for the half, compared with 22.95 percent last year. The company said the increase was a result from improved retail store contributions and from distribution center efficiencies.

Albertson's said the second-quarter sales, while a record, were somewhat below expectations, and that it aimed to improve same-store sales and decrease operating expenses as a percent of sales during the second half.

Kmart reports 2nd qtr. gains

TROY, Mich. — Kmart Corp. reported gains in sales and earnings for the second quarter ended July 31.

Net income for the quarter rose 10 percent, to $162.8 million from $148 million in the same year-ago period. Second-quarter sales rose 8 percent, to $8.40 billion from $7.78 billion.

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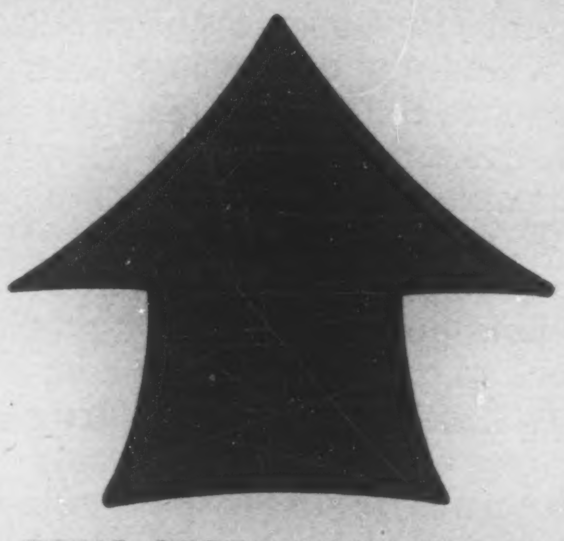
MARKET DIARY:

Largest Dollar Gainer	Carter-Wallace	$ 10.50
Largest Dollar Loser	Bristol-Myers Squibb	$− 2.13
Largest Percentage Gainer	Halsey Drug	28.38%
Largest Percentage Loser	Walgreen Co.	− 5.70%

Advances	36
Declines	16
Unchanged	5
New highs	10
New lows	2

	Close 9/17/91	Close 10/1/91	Net Change	Percent Change
Drug Store News Index	4192.39	4357.03	164.64	3.93
Dow Jones Industrial Average	3013.19	3018.34	5.15	0.17
Standard & Poor's 500-Stock Index	385.50	389.20	3.70	0.96
N.Y.S.E. Composite	211.54	214.01	2.47	1.17
Value Line Index	239.48	242.29	2.81	1.17

Source: Nordby International Inc., Boulder, Colo.



DRUG STORE NEWS INDEX

Exch	Company	Ticker Symbol	Closing Price 9/17/91	Closing Price 10/1/91	Net Change In Period	Percent Change In Period	P/E Ratio	Annual Dividend Rate	Annual Dividend Yield	Annual High	Annual Low
Chain store transactions											
OTC	Accuhealth Inc.	ACCU	4.88	4.88	0.00	0.00	—	0.00	0.00	7.25	4.50
OTC	Arbor Drugs	ARBR	19.75	19.00	− 0.75	− 3.80	22	0.12	0.63	21.25	8.88
OTC	Big B	BIGB	12.00	13.75	1.75	14.58	24	0.16	1.16	14.50	4.75
OTC	Drug Emporium	DEMP	6.75	7.25	0.50	7.41	16	0.12	1.66	9.63	6.63
NYS	Fay's Inc.	FAY	11.13	12.50	1.38	12.36	18	0.20	1.60	15.75	7.25
ASE	Genovese Drug	GDX.A	12.88	12.88	0.00	0.00	15	0.24	1.86	13.88	5.00
NYS	Longs Drug Stores	LDG	37.50	38.63	1.13	3.00	14	1.08	2.80	44.38	30.88
OTC	Medicine Shoppe	MSII	22.25	23.88	1.63	7.30	19	0.32	1.34	28.75	15.50
NYS	Perry Drug	PDS	7.75	7.75	0.00	0.00	194	0.00	0.00	8.50	3.75
NYS	Rite Aid Corp.	RAD	23.00	22.00	− 1.00	− 4.35	16	0.48	2.18	23.88	15.50
NYS	Walgreen Co.	WAG	32.88	31.00	− 1.88	− 5.70	20	0.44	1.42	35.88	21.63
Wholesaler's transactions											
ASE	Bergen Brunswig	BBC	22.25	21.25	− 1.00	− 4.49	14	0.40	1.88	26.19	18.00
OTC	Bindley Western Ind.	BIND	15.13	15.75	0.63	4.13	15	0.04	0.25	18.13	8.63
OTC	Cardinal Distribution (s)	CDIC	36.80	38.50	1.70	4.62	35	0.04	0.10	38.50	16.41
OTC	Durr-Fillauer	DUFM	30.00	28.75	− 1.25	− 4.17	19	0.28	0.97	34.75	16.00
NYS	McKesson Corp. (H)	MCK	37.13	39.25	2.13	5.72	16	1.60	4.08	39.25	26.88
ASE	Moore Medical	MMD	4.75	4.88	0.13	2.63	—	0.00	0.00	9.25	3.50
NYS	Owens & Minor (H)	OMI	16.75	19.00	2.25	13.43	24	0.20	1.05	19.00	7.50
Manufacturer's transactions											
NYS	Abbott Labs	ABT	53.75	54.50	0.75	1.40	23	1.00	1.83	55.63	39.25
NYS	American Home Products (H)	AHP	66.88	69.38	2.50	3.74	17	2.28	3.29	72.25	44.00
ASE	Barr Laboratories (H)	BRL	27.00	32.50	5.50	20.37	57	0.00	0.00	34.38	6.00
NYS	Baxter International	BAX	34.38	33.50	− 0.88	− 2.55	17	0.72	2.15	37.13	23.88
OTC	Block Drugs Co.	BLOCA	54.25	54.00	− 0.25	− 0.46	18	0.80	1.48	57.50	29.63
ASE	Bolar Pharmaceutical	BLR	6.63	7.00	0.38	5.66	—	0.00	0.00	8.50	1.88
NYS	Bristol-Myers Squibb	BMY	86.13	84.00	− 2.13	− 2.47	23	2.40	2.86	87.88	57.13
NYS	Carter-Wallace (H)	CAR	80.13	90.63	10.50	13.10	26	1.00	1.10	90.88	46.25
ASE	Columbia Labs	COB	7.00	7.00	0.00	0.00	—	0.00	0.00	9.50	3.63
ASE	Forest Labs	FRX	32.13	32.00	− 0.13	− 0.39	33	0.00	0.00	43.63	19.88
ASE	Halsey Drug (H)	HDG	5.06	6.50	1.44	28.38	30	0.00	0.00	7.06	2.19
NYS	ICN Pharmaceutical	ICN	5.50	6.13	0.63	11.36	—	0.00	0.00	8.00	2.50
ASE	Lee Pharmaceutical	LPH	0.94	1.00	0.06	6.61	—	0.00	0.00	2.25	0.88
ASE	Leiner P. Nutrition	PLI	11.25	12.50	1.25	11.11	12	0.00	0.00	13.38	6.75
NYS	Lilly Eli Co.	LLY	81.13	80.25	− 0.88	− 1.08	19	2.00	2.49	85.13	65.63
NYS	Marion Merrell Dow (L)	MKC	28.88	28.75	− 0.13	− 0.43	15	0.92	3.20	39.63	28.50
NYS	Merck Co. (H)	MRK	131.75	131.13	− 0.63	− 0.47	26	2.52	1.92	133.25	74.75
NYS	Mylan Labs (H)	MYL	29.63	33.00	3.38	11.39	35	0.20	0.61	35.00	15.50
NYS	Pfizer Inc.	PFE	64.88	65.50	0.63	0.96	26	1.32	2.02	68.25	35.25
NYS	Pharmaceutical Resources	PRX	4.13	4.13	0.00	0.00	—	0.00	0.00	5.88	2.63
NYS	Rhone-Poulenc Rorer (H)	RPR	48.00	47.88	− 0.13	− 0.26	21	0.44	0.92	48.38	29.75
NYS	Schering Plough	SGP	55.88	57.38	1.50	2.68	21	1.32	2.30	58.63	40.75
NYS	Syntex Corp.	SYN	41.50	41.63	0.13	0.30	22	0.92	2.21	47.88	25.50
OTC	Taro-Vit Industries	TAROF	3.63	4.00	0.38	10.34	80	0.00	0.00	4.25	2.25
NYS	Upjohn Co.	UPJ	44.38	44.50	0.13	0.28	17	1.36	3.06	49.25	34.75
NYS	Warner-Lambert	WLA	70.00	71.63	1.63	2.32	18	1.76	2.46	82.25	56.50
OTC	Zenith Labs	ZENL	14.00	15.00	1.00	7.14	75	0.00	0.00	23.25	5.00
Other retailer transactions											
NYS	Albertson's	ABS	39.75	38.25	− 1.50	− 3.77	21	0.56	1.46	51.38	28.00
NYS	American Stores	ASC	35.75	36.63	0.88	2.45	9	0.68	1.86	46.19	21.31
NYS	Giant Food	GFS.A	22.50	23.25	0.75	3.33	12	0.64	2.75	31.25	22.00
NYS	Great Atlantic&Pacific Tea (L)	GAP	33.25	34.13	0.88	2.63	11	0.80	2.34	57.75	33.00
NYS	Kmart	KM	42.13	42.63	0.50	1.19	11	1.76	4.13	49.50	23.38
NYS	Kroger	KR	15.63	17.88	2.25	14.40	14	0.00	0.00	24.50	10.63
NYS	Melville Corp.	MES	47.13	47.50	0.38	0.80	14	1.44	3.03	55.25	32.75
OTC	Fred Meyer (H)	MEYR	21.75	23.00	1.25	5.75	15	0.00	0.00	23.50	10.00
NYS	Penney, JC	JCP	48.13	50.25	2.13	4.42	14	2.64	5.25	58.25	37.38
NYS	Safeway	SWY	16.38	19.00	2.63	16.03	18	0.00	0.00	21.63	10.25
NYS	Smith's Food & Drug	SFD	37.25	36.75	− 0.50	− 1.34	24	0.36	0.98	43.75	24.75
NYS	Wal-Mart	WMT	49.75	47.88	− 1.88	− 3.77	39	0.16	0.33	51.88	24.88

Note: Cardinal Distribution completed a 5-for-4 stock split.

Key: (H) = New annual high reached in the bi-weekly period. (L) = New annual low reached in the bi-weekly period. (d) = Deficit. NYS = New York. ASE = American. OTC = Over the counter. (s) = Reflects stock split.

Source: Nordby International, Inc., Boulder, Colorado (303) 449-0326.